Daily Report

Latin America

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Thursday
10 January 1991

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FBIS-LAT-91-007 *10 January 1991*

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NOTICE TO READERS: As of 2 January 1991, television sourcelines in the DAILY REPORT will reflect how a station identifies itself. In most cases, this change eliminates the "Television Service" designation in favor of the station identification as broadcast. The presence of a new television sourceline reflects this change in policy, rather than the establishment of a new station or network.

NOTICE TO READERS: An * indicates material not disseminated in electronic form.

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Group of Three Hopes To Coordinate U.S. Aid

PA0901182591 Mexico City NOTIMEX in Spanish 1436 GMT 9 Jan 91

[Text] Colombia, 9 Jan (NOTIMEX)—Colombian Foreign Minister Luis Fernando Jaramillo has told NOTIMEX that Colombia, Mexico, and Venezuela hope to serve as a bridge to get the United States to make good promises of aid to Central America.

The minister, who has observer status at the Mexico and Central American summit, said that this area is going through "a very serious economic crisis" and needs urgent help.

Jaramillo added that the opening of Eastern Europe and U.S. budget constraints have delayed U.S. aid to Central America, and "what the Group of Three (Mexico, Colombia, and Venezuela) wants is to present a proposal to speed up cooperation."

The Colombian foreign minister said that Central America urgently needs the programs. The idea is to coordinate aid through the Group of Three and Spain, which is also taking part in the meeting in Mexico with observer status, Jaramillo said.

Jaramillo, who arrives in Mexico today, said that in the face of the area's economic problems, worsened by international oil price increases, "it becomes necessary to join efforts because it produces greater results than bilateral negotiations."

The foreign minister said that the Group of Three also seeks to step up economic, cultural, scientific, and technical cooperation with the Central American area, within the framework of the Antigua Declaration principles, signed in Guatemala by the Central American presidents in September.

"We believe, like they, that the region's economic crisis endangers the democratic advances that have taken place and we therefore wish to act in solidarity as coordinators of the needed aid," Jaramillo added.

Colombia, Venezuela, and Spain acted as observers at the meeting of Mexican President Carlos Salinas de Gortari with the Guatemalan, Nicaraguan, Salvadoran, and Honduran presidents [sentence as received].

The meeting will be held between 10-11 January at Tuxtla Gutierrez, Chiapas State, about 1,050 km southeast of Mexico City.

Panamanian President Not Invited to Summit

PA0901191691 Hamburg DPA in Spanish 1732 GMT 9 Jan 91

[Excerpts] Tuxtla Gutierrez (Mexico), 9 Jan (DPA)—Mexican President Carlos Salinas De Gortari will meet tomorrow with his Central American colleagues. Together, they will analyze the region's political problems and sign economic and commercial cooperation agreements. [passage omitted]

The most noticeable absentee will be Panamanian President Guillermo Endara, who was not invited by President Salinas de Gortari.

Mexican Foreign Secretary Fernando Solana said that Panama was not invited to the meeting because it is not formally considered a Central American country, although he recognized that bilateral relations have had a "low profile" since the U.S. invasion. [passage omitted]

OAS Formally Admits Belize, Guyana as Members

FL0901131391 Bonaire Trans World Radio in English 1130 GMT 9 Jan 91

[Text] The Organization for American States admitted Belize and Guyana as new members yesterday. The memberships were formalized in a ceremony held in Washington at OAS headquarters. This brings the number of active members of the OAS to 34. The Permanent Council of the OAS meets today to discuss Suriname and Haiti.

Details of Approval

FL0901174091 Bridgetown CANA in English 1658 GMT 9 Jan 91

[By Wesley Kirton]

[Text] Washington, Jan 9, CANA—Belize and Guyana have been approved as members of the Organisation of American States (OAS). On Tuesday, they received reassurances from Guatemala and Venezuela, their respective neighbours, that there was no alternative to the peaceful resolution of their territorial controversies.

Both Guyana and Belize signed the charter of the hemispheric body shortly after the 15th special general assembly of the organisation approved their applications for membership. Minister of foreign affairs and economic development of Belize, Said Musa, signed on behalf of his country while attorney general and minister of legal affairs, Keith Massiah, signed on behalf of Guyana.

In his address to the session the Belize foreign minister said that his country joined the OAS with a vision of an undivided hemisphere in which there would be no south and north, no developed and underdeveloped, and no dominating nor dominated.

"Our vision is of an America of equal opportunity sustained by interdependence where peace, security, and dignity would be the birthright of all our peoples; in which all can take advantage of the new frontiers in science and technology, and where the resources may be prudently used to satisfy the needs of this and future generations," Musa said.

The foreign minister said Belize and Guatemala today were forging a new relationship in a realistic approach as neighbours with respect, dignity, friendship, and co-operation. The Guatemala representative had earlier told the general assembly that his country remained committed to a peaceful resolution of the territorial controversy with Belize and added that the two countries had established the framework for meaningful co-operation in various fields.

Guyana's attorney general said that his country's admission to the OAS was even more significant since it coincided with the nation's 25th anniversary of the attainment of independence. The journey towards membership, he said, had been long but steady.

"Guyana brings to the organisation no scrolls upon which are writ the solutions to the issues and challenges which this organisation is expected to address. Guyana pledges however to be a full and active participant and to bring to this forum its dedication and sincerity of co-operation," minister Massiah said.

Venezuela's permanent representative, ambassador Guido Grosscors [name as received] had earlier told the session that his country would do anything in its power to overcome the problem with Guyana which was inherited from their colonial past. He said the fact that Venezuela supported rather than opposed Guyana's membership in the organisation represented his country's feeling that there was no alternative to the peaceful resolution of their controversy.

Grosscors reaffirmed that goodwill and peaceful relations would continue between the two countries adding that co-operation in political, economic, social, and other areas of development would continue for the benefit of the people of Latin America and the Caribbean.

Some 18 delegations delivered speeches of welcome during the session and most referred to recent revolts in Suriname and Haiti which they said had exposed the fragility of the emerging democratic revolution in the hemisphere.

Cuba

Foreign Trade Official Meets Soviet Deputies

FL1001015591 Havana Tele Rebelde and Cuba Vision Networks in Spanish 0100 GMT 10 Jan 91

[Text] Soviet People's Deputies (Viktor Shiurupa) and [name indistinct] have met with Vice Minister of Foreign Trade German Amado-Blanco. The minister expressed his satisfaction about this meeting and stressed the ministry's role in developing the ties between Cuba and the USSR. He said that contacts always help in carrying out this work and in mutual understanding. Amado-Blanco recalled the recent trade agreements signed in Moscow by our country and the Soviet Union. These documents cover bilateral trade for 1991. The visitors also showed interest in other aspects of mutual benefit.

Chamber of Commerce Invites Foreign Investment

PA0901215591 Mexico City NOTIMEX in Spanish 1946 GMT 9 Jan 91

[Text] Havana, 9 Jan (NOTIMEX)—According to Julio Garcia Olivera, president of the Cuban Chamber of Commerce, Cuba "would not reject" offers from foreign capitalists to make up to 100 percent investment in enterprises on the island.

During an interview, the official told NOTIMEX that "I would not answer negatively" to the possibility of foreign capital representing up to 100 percent participation in mixed enterprises or creating new companies in Cuba.

In view of the scarcity of assets, the Cuban Government "is studying all possible formulas that could allow us to face our commitments, ranging from investment in mixed enterprises, to investment in ones we have already created," he said.

The president of the Chamber of Commerce did not rule out the possibility of authorizing operations to exchange debt for investment (swaps). Such operations would promote investment and attract foreign capital to the Caribbean nation.

With regard to such swaps, the official said that "no decision has yet been made," but this formula is being analyzed "scrupulously and case by case, because we would not want to lose what we have built."

Mexico and other Latin American and European countries could be interested in authorized swaps with Cuba to promote private investment from their countries on the island.

Within that framework, the official stressed that the Cuban Government has "greatly softened" (flexibilizacion) the legislation on foreign investment, to the extent that projects can be undertaken simply by "mutual agreement."

* Economic Gains From Scientific Research Viewed

91CA0045A Havana GRANMA in Spanish 30 Nov 90 pp 28-31

[Article by Pedro Juan Gutierrez]

[Excerpts] In 1990 Cuban scientists will contribute more than 200 million pesos in net earnings to their country, thanks to the sale of new products and equipment. This represents a tremendous gain from the 4 million pesos earned in 1986.

By 1989 the figure had grown to more than 150 million pesos.

Rosa Elena Simeon, president of the Cuban Academy of Sciences (ACC), gave BOHEMIA the scoop and provided plenty of details. [passage omitted]

Rosa Elena recalls that in 32 years of revolution nearly 30,000 scientists have been trained. Their average age is currently under 40, and they have nearly 160 well-equipped centers. This figure does not include university professors, students, and laboratories.

"Moreover, in every branch of science there is access to the latest worldwide research. Our scientists are able to travel or exchange information with everyone in the world, including the United States, as long as that country's government permits it."

In addition, there is state economic support. Cuba has budgeted over 2.5 billion pesos this year (17.3 percent of its national budget) for cultural and scientific development. [passage omitted]

Dr. Simeon traces these successes back to 1980, when biotechnology began to enthrall Cubans and started its rapid development within the national health program. The first impact was felt during a dengue epidemic (some believe it was caused by inoculations carried out by the CIA as part of its bacteriological warfare against Cuba) that was thwarted by the production of Cuban interferon. Interferon is a protein that interferes with viral reproduction.

After that, very spacious and modern centers were established for genetic engineering. Rosa Elena emphasizes, however, that "more important than equipment is the quality and dedication of the scientists who work at these centers. They are capable of putting in 16 to 18 hours a day, Monday through Sunday, whenever necessary. They spare no effort and expect no financial reward. You must see it to believe what a human being can do when motivated."

Another very typical success is the vaccine against meningococcus. Cuba was the first country in the world to achieve this. Then there is the epidermal growth factor, which allows burn victims to regenerate skin. The country also produces a very wide range of modules for diagnostics, ranging from AIDS to Brucella and allergies.

"There are a lot of categories, but I would like to mention monoclonal antibodies, whose development has received a great deal of attention. They are used to prevent the rejection that occurs after lungs, kidneys, or other organs are transplanted. Scientists the world over are pinning their hopes on these antibodies to treat cancer, although this still belongs in the realm of speculation."

Another major area is the production of high-technology medical equipment. The machines that have been designed and mass-produced here already number in the dozens.

In Agriculture

Rosa Elena declares: "In health, our biotechnology ranks among the most advanced in the world. Just three years ago we began introducing it into agriculture, especially to produce very high quality disease-free seeds at low cost."

The country already has several "biofactories" [?genetic engineering laboratories] that produce seeds for potatoes, malangas, sugarcane, bananas, and other plants. In a short time there will be an increase in the quantity and variety of the foods made available through the food program. Cuba used to spend $7 million a year just to import quality potato seeds.

By way of comparison, Rosa Elena explains that Venezuelan banana growers pay $5 for every plant they buy from U.S. "biofactories" rather than producing them on their own soil through the traditional method. The reason lies in the high productivity of these lab-produced seeds.

When applied to sugarcane, this technology will make it possible to neary double the current yield of 70,000 arrobas per caballeria. Thirty percent of all the country's sugarcane fields are already planted in new varieties, compared to only 3 percent in 1986.

"About five years ago we obtained new varieties of sugarcane through tissue cultures, and a large sugarcane "biofactory" is about to begin operations in Villa Clara. Efforts are also being made to increase industrial efficiency without making any technological changes, just by adding enzymes at certain points in the process at the sugar mill. This will enable us to produce more sugar using fewer resources and at a lower cost. Furthermore, part of the cane will be left over for use as animal feed."

Soil

"It is commonly said that in this country seeds can be sown anywhere and little plants will sprout. But the fact is that only 7 percent of our soil is of high quality. That is why we have given top priority to a program that has made it possible to develop a multiple-plow system in a short time. This machine amounts to a battery that reduces the number of passes that must be made through the field. If the tractor normally makes eight passes to prepare the soil for planting, with this equipment three passes will suffice. Thus, the preparation time is reduced from 45 to 15 days on average. This represents a savings in fuel, equipment, overall expenses, and time. In other words, the same field can be made to produce more per year."

Pure Science?

The president of the ACC goes into great detail on other successes of the 22 scientific programs that have been given top priority. The fields involved include everything from electronics to tourism, and the results will be for immediate application in the economy. This raises a question: "Has Cuba totally abandoned pure science, then?"

"That criterion no longer exists in the world," she responds. "That was valid 40 years ago when it took 20 years from discovery to application. For example, 40 years passed between the invention of the telephone and its development as a technology. Today the span between creation and application is very short. Nevertheless, 17 percent of our research is basic (the term now used for what used to be known as "pure" research), but we carry it out within our research programs. The programs run from the initial exploitation to the development of technology. That is, the full package, with an integral design from start to finish."

[Gutierrez] Are there avenues of research that have been developed at some point and then abandoned as impractical? I am thinking of the launching of the Cuban cosmonaut, Arnaldo Tamayo, in September 1980.

[Simeon] Cosmonautics is one of those technologies in which we must keep abreast, up to date, but it is not a top priority. For example, the entire study we just completed for tourism was finished in three months thanks to satellites. On the ground it would have taken us 10 years. Meteorology also employs satellites, which are constantly surpassing themselves. As with cosmonautics, we are maintaining our research in solar energy and many other fields. The launching of the cosmonaut was a necessity at a given moment, and it was fully justified.

Problems

[Gutierrez] What are the problems and difficulties at this time?

[Simeon] We have greatly improved our ties with the provinces, the ministries, and the enterprises. For example, among the provinces, Camaguey works very well; among the ministries, the Sugar Ministry. The Health Ministry also introduces new technologies at a tremendous speed, but they are nearly always new products for which decisions are made centrally.

It is in agriculture where we have the most problems in applying science. We no longer speak in terms of introducing results, but of bringing them into general use, because a discovery applied at the 19 April enterprise

does not mean anything for the country. The small places do not find out about them.

To improve this, we are working along two tracks: through the ministry and in each province. But we are being systematic, because we researchers are dreamers and we cannot be too hasty, we must prove everything first.

I personally believe that the ministries must play the appropriate role. That is, it is imperative that we have better communication between scientists and producers. They must speak the same language; they must achieve in all fields the degree of mutual interaction that we have already established as a working style in the health and sugar sectors.

* Agriculture, Minibrigade Housing Discussed

91P40099A Havana GRANMA in Spanish 1 Dec 90 p 1

[Excerpts] Approval of the regulation concerning agricultural contingents and an increase in the number of apartments assigned to the Havana minibrigades, were two of several announcements made by Jorge Lezcano Perez, Central Committee member and first party secretary in Havana City, at the inauguration of the San Roque and Reunion camps in Alquizar.

Addressing La Lisa minibrigade members who built the camps and some members of the Antonio Maceo contingent, Lezcano emphasized that the document sets forth the work, dietary and living conditions of these groups based on the experiences of the Blas Roca contingent and other groups of this type.

The schedule will be 21 days of work and three days of leave (with a guarantee of transportation). Workers whose salary was higher than 225 pesos before joining will retain the higher salary; those whose salary was lower will have their salary raised to 225 pesos. Those who have been working according to standards will have their salaries raised to 30 percent above the average output achieved during the past few months.

Thirty-one contingents will work in the agricultural camps in Havana with a total of about 9000 workers. Contingents from the Union of Young Communists, Cuban Workers Federation, People's Government, Agricultural-livestock Union, Construction Ministry, Havana Vieja, Guanabacoa and La Lisa, as well as two Blas Roca brigades have been mobilized, providing an extraordinary guarantee for the food program.

Lezcano announced that the 31 communities to be constructed (in two cases they have begun moving earth) will be linked to the contingents so that they will also be the ones who build them; he said the contingents will be given priority in the assignment of the apartments, which will have all of the necessary comforts and services, if they want to live there. [passage omitted]

The inauguration yesterday of these two camps brings to 12 the number of camps which have been completed in Havana City of the 20 which are planned for the first phase. According to Lezcano, the province should fulfill its committment on Wednesday. Thanks to the efforts of Boyeros municipality, the San Justo camp should be finished next Sunday, the first in the second phase during which the construction of 20 camps is also planned.

Nevertheless, participation in the food program will not be limited to Havana; according to what has been announced, 340 caballerias in Pinar del Rio are being planted with tomatoes destined for Havana City which the Pinarenos cannot attend to because of the urgent need to attend to other crops such as tobacco. Fortunately, 5000-6000 persons mobilized in the capital will go there; this does not include the students who traditionally work in Vuelta Abajo as part of the program of schools in the countryside.

Other tasks which will demand the decisive support of the residents of the capital, especially the minibrigades, will be the completion of four agricultural distribution centers and 150 small markets before the end of december, a program which is behind schedule. Meanwhile the worker's movement is preparing to mobilize some 5000 workers on the weekends for the Panamerican games.

Lezcano said that, given the current circumstances which require the restriction of construction plans—especially for apartments,—the country's leadership has decided to increase the number of apartments in high-rise and low-rise buildings to be made available to the capital's minibrigades members to 70 and 80 percent respectively. This will reduce the number going to the state which was previously 40 percent in both cases.

He explained that future efforts will be focused only on completing the approximately 30,000 apartments on which construction has already begun. [passage omitted]

* Critics Urged To Be Constructive, Realistic

91CA0041A Havana JUVENTUD REBELDE in Spanish 9 Dec 90 p 4

[Commentary by Soledad Cruz: "The Miracle Is Within Our Grasp"]

[Text] "Open Wide the Eyes of Memory" (Jose Perez Olivares)

It is difficult to transcend one's own daily life, imagine the real world in which we live, and distinguish the essentials that lend true worth to life.

The main obstacle to the fulfillment of our well-known and ever increasing human needs is the absurd world economic order, which prevents the Christian precept of distributing loaves and fishes from being observed and has promoted belief in the consumer culture all over the planet.

Out in the streets I can sense more than a few anxieties stemming from the daily pressures on us, and I hear

more than one person talking only about the mistakes that have been made in our development process and thus failing to take into account the advantages that we enjoy over many other peoples, even though the international situation affects us all alike.

It is true that over the years we have been swamped by repeated and overly enthusiastic affirmations of our accomplishments, while too little time and space has been devoted to our shortcomings. This imbalance should not, however, lead us to simplistic conclusions similar to the ones that the radio barrage and the campaigns of long-standing enemies and former friends are fostering.

I defend dialogue, criticism, the plurality of ideas, and respect for the opinions of others because I feel that they are inherent to socialism. At the same time, however, I think that the exercise of these rights cannot be separated from the obligation to fulfill the duty of preventing anarchy from gaining ground, as is happening today in Eastern Europe, where the embrace of the creed opposite to ours has neither enabled the previous guarantees to be maintained, nor led to renewed prosperity.

I understand and I share many of the anxieties that readers convey to me about the national situation. David G. Gross from Palma Soriano, Ernesto Perez Fonseca from Santa Cruz del Norte, Genaro Suarez Sabina and Poison Gonzalez from Plaza, Juan A. Suarez Hernandez from Casablanca, and Jose I. Roque Marrero from Camaguey, among others, have with their letters helped me to reflect on these issues. But they have also helped me to notice the difference between those who voice sound criticism of what should be criticized in our society and those who merely echo negativist sentiments and irresponsibly rant and rave about everything or pay tribute to the alleged advantages of the other system, which they did not, in fact, benefit from, even though they are old enough.

The difference is to be found precisely between those who express their dissatisfaction with what is truly wrong so that it can be fixed and those who are not at all interested in fixing it because they are pushing the bizarre idea of individual betterment in what is the most pitiless of societies in spite of its alluring, superficial charms.

Many belong to the second group out of sheer ignorance, but one must be on the alert to the power of ignorance. Thus, I do not underestimate them and I will combat them until I can entangle them in their own logic of human irrationality. I have often taken the trouble to question them at the market, on the bread line that has grown increasingly longer. If they are adults, they have had to admit that before 1959 they were pariahs, discriminated against because they were black, or illiterates, or poor. If they are young, they have talked about the idyllic vision of which some adults of the past have told them or about the flashy junk that the people coming from "over there" flaunt and the cars and the homes with swimming pools like in the movies.

Their worship of the priesthood of merchants prevents them from opening their eyes not just to memories but also to the real world today, even though the mass media are constantly talking about declines in social well-being even in the United States, about the breakdown in Europe's proverbial civility, and about how in Latin America the oil crisis is leading to blackouts, higher prices, and hunger, so much so that people are looting markets, even if the movies do not usually show this.

People are forgetting these facts, some out of ignorance, others deliberately. They do not even take notice of the specific measures that have been adopted, day after day, to make structural changes in our society and to ease daily survival. They think that we are moving backwards because we have to return to workdays in agriculture, because all items are now rationed by booklet, pharmacies are short of medicine, the capacity for accommodating tourists is inadequate, we are going back to windmills, oxen, and bicycles.

I am among those who think that agricultural mobilizations will not resolve our farm-production problems in the long run. For now, however, they are an imperative for survival, and as such, we must accept them. I do not think that oxen are better than tractors, but they do insure that we will avoid a crop failure and thus are a blessing, as are windmills for extracting water and bicycles for getting around.

The special period does not promise paradise, but the kingdom of God has not yet descended to earth, and given the conditions in which the world finds itself, I feel that, by stretching our capacity to meet essential needs, resisting is a thousand times preferable to the disaster in which others are today mired. This does not mean, however, that we can stop making the necessary changes in our outlook and practice.

To resist today is to move forward. This is a miracle that is within our grasp if we search our memory openly.

* Cintra Frias Gives Armed Forces Day Speech

91CA0048A Havana GRANMA in Spanish 3 Dec 90 p 2

[Speech by Division General Leopoldo Cintra Frias at Armed Forces Day Ceremony]

[Text] Comrade guests, fellow countrymen:

Thirty-four years ago, when Fidel and his intrepid comrades on the "Granma" managed to reach Cuba's shores across the swamps of Las Coloradas, our Revolutionary Armed Forces (FAR) were born with an abiding determination to continue and culminate the Mambisa [Cuban independence] movement.

Today, with our heads held high and our feet as well shod as those of the heroes when they blazed that long and difficult trail, we commemorate that fortuitous historic

birthing with solemn, vigorous, and massive activities throughout the country on this National Armed Forces Day.

My first duty in carrying out the honorable task of speaking at this event on behalf of the FAR is to emphasize the dramatic international context in which we have reached our 34th anniversary.

As Cuba so aptly declared through our foreign minister at the United Nations Security Council on the occasion of the misguided decision taken last Thursday by that body, a decision which represents an unprecedented authorization of the United States and its allies to utilize their tremendous military potential within a fixed term as an alternative to dealing, on the other hand, with the intransigence of the Iraqi Government, our world today has been confronted with the terrible prospect of the outbreak of a war of incalculable proportions and consequences.

Cuba's vote at the UN, due to its righteousness and clarity, was seconded by the only Arab country that is now serving on the Security Council, Yemen, and in fact was joined by the abstention of a great world power, China, which broke the laboriously concocted unanimity of the permanent members of the Council.

That Cuban vote expresses the steadfastness and political astuteness of our leadership, as well as its unequivocal desire to find political and peaceful solutions at a time when, unfortunately, the international community is faced with frustrating evidence of the fact that today's 63 world statesmen, and those of the United Nations itself, are unable to find solutions that are civilized at the very least, through dialogue and negotiation.

And we can proclaim, moreover, with legitimate and healthy pride, that our vote also represents an act of independence and sovereignty.

This reasoning explains why our people feel and express their deep commitment to the valiant, responsible and principled position assumed by the Cuban Government in response to this very significant historical dilemma.

Looking inward, first and foremost are the complex and difficult problems we face today in our efforts to continue pursuing our socialist option, which is to say our unstinting historic effort to achieve national independence and social justice in accordance with the principles of Marti, Marx, and Lenin.

I cannot but express my profound respect and sincere admiration for the extraordinary efforts that the heroic people of Cuba are making in this adverse situation when we are forced to contend with a special period in times of peace.

On a day like today, in the critical circumstances that characterize the present and overshadow the future of our country, I would like to voice a few thoughts from my modest point of view as a military officer and revolutionary combatant.

I believe that all worthy and conscientious Cubans should hail the far-reaching and comprehensive debate in which the Convocation of the 4th Party Congress has urged us to participate, because of its significance and scope.

This process, which has had extremely positive results with regard to stimulating the expression of opinions and shedding light on matters, has yielded a wealth of ideas, suggestions, and concerns.

Many of these contributions, including the critical comments, coincide with the perceptions we already had and the analyses our Party had been carrying out regarding these same issues that have been under discussion.

It is also clear that the party leadership has the political will to take steps immediately on matters on which there is consensus, as long as the conditions are right for such steps or conditions can be created in the short term, with a view to improving our society in a multifaceted manner, in keeping with our needs and circumstances. This is the thrust of the Convocation itself, in anticipation of what our Congress should accomplish.

While we can see that these positive aspects are prevalent, especially in the heart of the worker class, we are not unaware of some manifestations of a certain tendency which, sometimes on the basis of real problems or defects, result in irresponsible positions. I am referring to those who, claiming to speak about what we are lacking, deny what we already have, what we have achieved.

This criticism that denies everything, denies accomplishments, denies experience, is neither healthy nor helpful. On the contrary, it is demoralizing, and it comes at a time when we need the greatest resistance and willingness to face and solve our problem, to resist under whatever circumstances, even the most adverse ones, to continue the country's economic and social development to the best of our ability.

Our commander in chief—and I am referring in particular to his speech of last 28 September—has appealed to all of us to engage in an ideological struggle, to defend firmly and resolutely our ideas, our principled positions in the face of confusion and distortion. And there are plenty of arguments and reasons for doing so.

What we are defending today is no longer the dreams that inspired the revolutionaries of other eras. What we are defending today is the situation that we have created with our efforts and sacrifices, our beautiful accomplishment, which is still imperfect but whose real magnitude far exceeds the dreams of yesteryear that forged it, and inspires and encourages the best endeavors of today and tomorrow.

Our enemies, wrong as always, assume that our downfall is inevitable. They are betting that we will not be able to

resist, primarily because of their over-confident and mediocre interpretation of the events of Eastern Europe and the Soviet Union itself.

Some hopeful traitors in the United States have even allowed themselves to be cheated mercilessly and have paid fees to recover their property in Cuba that was seized by the revolution.

As in the tale of the mice, we might ask the excitable "gusanos" [worms, a term used for Cuban exiles] and their masters, Who will dare put the bell on the cat?

We will see who is the "latifundista," who is the owner of the sugar mills, and of course we assume that among the fauna of former landowners, those who owned gambling dens and brothels, we will see who will have the nerve to come here and demand that we return their property that was revolutionarily confiscated.

None of them, who boastfully lay claim to the empire's power, would ever dare to face our soldiers, our Territorial Troop Militias, our Production and Defense Brigades, our entire country, who are all prepared and willing to wage battle if they force us, and to win after a tenacious and invincible resistance the war of the whole nation.

The enemy is also counting on our weakening from the inside. They are hoping that pessimism will gain ground, and they are doing everything in their power to instill discontent. But these are merely vain illusions.

It is true that a few people will become frightened and weak in the face of difficulties. They will be in the minority. The majority will become more hardened and resistant. In the words of the author of that Soviet anthological novel that inspired so many generations of revolutionaries, the same hammer that breaks glass can forge steel.

Reality itself, cruel and harsh, is also clearing up our confusion and errors.

The hopes that were raised in some people by a sympathetic speech that presumably represented a change in policy were brutally dashed by the U.S. President himself when he unabashedly praised all the recent developments in Eastern Europe as nothing less than "the revolution of 1989." It is really difficult to determine whether, when Bush said that, he was thinking and speaking as the President of the United States or as the former head of the intelligence services of that country.

But what there is absolutely no doubt about is that, whatever "revolution" means for Mr. Bush, for us it is precisely the opposite, that is, a counterrevolution, the restoration of capitalism.

The truth for us lies not in the siren call of imperialism and of those who allow themselves to be dazzled by the imperialists and want to be viewed favorably by them; the truth lies in our experience, in our own history.

The truth lies in Yara, in Baire, in the Mambist invasion of the west, in the early establishment of the first Cuban Communist Party, in the anti-imperialist struggles of our people.

The truth lies in the Moncada [barracks], in the "Granma," in the mountains and in the plains, in the struggle against bandits, in Giron [Bay of Pigs], in the October Crisis. Now that we have learned the real facts of those luminous and sad days of the October Crisis, we are much better able to understand Che's words when he said that rarely had a statesman shone more brilliantly than Fidel.

The truth lies in the science of Marxism-Leninism as a revolutionary method. The truth lies in the thought of Che, in the thought of Fidel.

The truth lies as well in the assault on the Winter Palace, in the feat of socialist construction in the Soviet Union, in the Kursk Arch, in the epic battles that eliminated the nightmare of fascism for all humanity.

The truth also lies in that heroic country that rose up from the ashes of World War II and conquered outer space, and that extended a hand across the ocean to Cuba at the most critical and decisive moment in its revolution and set a brotherly example of internationalism, for which we will be eternally indebted.

The truth, our truth, lies in our ability to resist without giving in for more than 30 years; the truth lies in standing face to face with imperialism without blinking, without ever stepping back.

The truth lies in always being faithful to the people, in not betraying them, in working for the children, for the elderly, for the Fatherland. The truth will never be in the Zanjon [pact signed between Cuba and Spain in 1878 to end the 10-year war]; our truth lies in and will always lie in Baragua.

I would like to make special note of the combative and enthusiastic participation of our formidable youth on this National Armed Forces Day, and to thank them for the fervent tribute of admiration and affection they have thus paid to the FAR.

I am an exceptional witness to the quality and virtues of our youth. I have seen them in the most difficult places, in the jungles and waste lands of Angola, during the decisive days of Cuito Cuanavale, I have seen them write indelible pages of heroism.

To the legion of unforgettable names of our internationalists who have fallen while carrying out their honorable duty has just been added that of another young combatant, FAR 1st Lt. Alberto Brook Casamayor, as our press regretfully reported yesterday.

I have also seen all the generations of Cubans fight together to advance the work of the revolution. I have seen in the same trenches, next to the graying heads of

the seasoned veterans, the heads of adolescents possessed of no less patriotic and internationalist fervor, and I have seen them shed their blood together. As united as I see them today, those same combatants of all generations, embroiled in the no less meritorious struggles of creative work.

This, my fellow countrymen, is why I have so much faith and confidence that we will be able to overcome all obstacles and forge ahead.

The message that I bear today from the Armed Forces to the people of Cuba on this anniversary is the uniformed people's respect and admiration for the workers, those who create and build, facing and overcoming difficulties.

Those who are developing the food program in which we have placed our well-founded hopes.

Those who are working on the projects that represent the restoration, and then some, of our water aspirations.

Those exemplary workers of the Blas Roca and other contingents who are demonstrating how much we can do with organization, consciousness and productive efficiency.

Those industrious sugar workers who continue to be the vigorous backbone of our economy, some of whom are already fully involved and others of whom are preparing feverishly for a new battle in the cane fields and sugar mills.

Those scientists who are creating and opening up new horizons in medicine, in biotechnology.

Our students, those of the Federation of University Students who with so much enthusiasm are preparing for their Congress, for which we extend our best wishes. Our intellectuals and artists, who know that talent is a gift and that there is no greater virtue than the loyalty of the incorruptible.

The message from our FAR is, therefore, that of unstinting loyalty to our people, to the Fatherland, to the Party, and to Fidel.

Socialism or Death!

Fatherland or Death!

We shall overcome!

* Role of Religion in Political Culture Viewed

91CA0039A Havana JUVENTUD REBELDE in Spanish 25 Nov 90 p 6

[Article by Marina Menendez]

[Text] Many of the Cubans who abandoned the island in 1959, repudiating the revolution, attributed a political position to God. For them, Jesus Christ was incompatible with the society that was emerging.

I did not witness those years, nor—I must confess—do I know a great deal about this issue, except for the testimony of Christians who stayed behind.

These people, who did not flee to Miami because they looked upon the changes favorably, not only have proven wrong those who believe that Christ is there, in exile with them; 30 years later they are proclaiming their faith in God... and in socialism.

The history of the Christian Student Movement (MEC) is proof of the efforts that many of them have made to demonstrate (as a recent report by that organization recognizes) that there was indeed "room for Christian testimony" in the revolutionary process.

Founded during Holy Week 1960 with the participation of three Christian student associations linked to the University of Havana and the University Church, as well as the Central University and the one in Oriente, the MEC has had among its ranks young Christian students, pastors from the Presbyterian, Methodist, and Episcopal Churches, the Salvation Army, the Pentecostal Church of Cuba, and the Church of God, primarily. Although some Catholics are associated with the Movement, they are in the minority and their involvement is strictly personal.

The actual membership of the MEC as it marks its 30th anniversary amounts to about 300 Cuban youths. Inevitably, all were born after the triumph of the revolution.

Angel Ortiz is one of them. He is 31 years old now, and in 1985 he was already president of the MEC. Three years later he was elected regional executive secretary of the Universal Federation of Christian Student Movements (FUMEC) for Latin America and the Caribbean, and he was just recently confirmed in that post.

Optimistic and combative when he speaks of the present and future in our country; carefree and fun-loving like a typical Cuban, Angelito (as he is known by those closest to him) is an example of the description he himself gave me of Christian youths....

"What can distinguish us from other youths? That we interpret Cuban society and the revolution on the basis of faith. Not only were we born into a revolutionary society, but we were also born into the church. But the majority of us are of this generation; we are young people who grew up in the revolution, who have been linked to the stimulating and creative interaction that is life in a society like this...a generation that is participating in the entire cultural renovation of this country, and that is politically analyzing the problems of the revolution."

Continuity or Change?

In April of this year, the meeting between Commander in Chief Fidel Castro and representatives of the Cuban Ecumenical Council (to which the MEC belongs) placed on the national agenda the issue of religious people and their participation in the socialist construction of our

fatherland. For the first time it became possible for Christians to join the Party.

[Menendez] What do you people think? What kind of relationship have you had with the Union of Young Communists (UJC)?

[Ortiz] I will answer your second question first. The relationship between the MEC and the UJC has always been very, very constructive, and it predates the process we are going through now. This is evidenced in the participation of Christian youths, whether or not actual members of the Movement, in the Carlos Roloff international brigades, in the World Youth Festivals, and in the Students of Havana and Moscow, as well as in meetings, events, and in specific work here in Cuba. The nature of that exchange has enabled us to anticipate—in our view—what may happen after the 4th Party Congress. Because between the MEC and the UJC there are many more elements in practice than there are in relations among other party organizations, shall we say.

I think we are at a wonderful moment in Cuban society-...delicious. And it is a political challenge for everyone: Marxists and Christians, just as it is a theological challenge for everyone, because together we are contributing to a new Cuban political culture. And that new political culture has national roots: The principal exponents of Cuban political thought did not in their analyses distinguish between religious people and participation in the independence struggles of this country. In other words, we are going back to our roots. But going back to our roots also involves Christians going back to their origins.... What can the Bible tell us in this situation? How are we going to read the Bible now? That is a very challenging interpretation.

[Menendez] Why a new interpretation? Why challenging?

[Ortiz] We cannot apply Liberation Theology just as it comes from Latin America. Nor can we interpret the Bible the way we did in the 1960's. The current situation requires us to read the Bible with new eyes. To renew our faith in God on the basis of an adoration and a liturgy that is much more hopeful for the future. It is challenging because it affects the entire Cuban democratic apparatus and the entire international political debate, because we are going to speak with much greater morality. At many times we have made the mistake of working toward an image for other countries, rather than striving to solve internal problems that we have faced with regard to discrimination against Christians in a number of instances.... That has been said many times.

What About the Others?

Now, the fact that Christians can join the Party would also have implications for the unity of the Cuban people, and in the fact that the Party will be the party of the Cuban nation. But we are not going to give in to the temptation of egotism and pride; it will not just be Christians. This is a question of relations between the State and religion.

And we must give some thought, then, to where the Afro-Cuban religions fit in. If we Christians are honest, we must look very seriously at where our brothers who practice Santeria, who belong to the Abakua cult, or who are "paleros" fit in to this debate. They may not have had any international representation the way the Catholic and Protestant Churches do, but they have made a very significant contribution to this revolution. Not only that, but they come from the most impoverished segments of society.

If we Christians are honest, we will incorporate into the dialogue religions that are part of the Cuban nationality. That is why I think this brings us to a strictly ecumenical dialogue, in the broadest sense of the term.

We Are Not Under Pressure

[Menendez] Do you think that what is happening is a completely new stage, or do you regard it as a reaffirmation of a rapprochement that was already taking shape?

[Ortiz] Both. First of all, I would say that it is the end of a period of much striving, much work, and intense dialogue. But this end of one stage is not just the continuation of an entire process that went before, but it also opens the doors to a qualitatively better period. We are taking serious and constructive steps that are full of possibilities: There is no need to hurry or to burn bridges now. Nor are we under pressure. It must be made clear that these changes are the result of a dialogue of years and decades, not the consequence of external pressure. If we looked at them as the result of international pressure, or of the events that have taken place in Central and Eastern Europe, whatever we do here will have no impact. We cannot burn ships or make ad hoc decisions; we need strategic decisions that have to do with the future of Cuba.

[Menendez] From your perspective, living in Quito, Ecuador, what foreign repercussions do you think this will have?

[Ortiz] The repercussion is minimal. The spirit that exists here in Cuba is not known in the majority of countries in the region. Because of the example that it sets, we must strive to show Latin America and the Caribbean that we are going through a process of incalculable implications that will affect the politics of the entire region and Latin American theology, like it or not. In Cuba another theological moment is being prepared that will enrich all of Liberation Theology.

A Prophesy

[Menendez] What is the MEC's assessment of this situation? What is its response?

[Ortiz] The Christian Student Movement, like the other churches in the Cuban ecumenical movement, is joining

this analysis wholeheartedly. As regional secretary of the FUMEC for Latin America and the Caribbean, we are confident in the MEC's ability to respond. Christian students are not aloof from society or from the dynamic of the church in this country, and they have an option, which they have always had: an option for socialism and for the revolution.... We want to have a prophetic attitude toward this socialism and this revolution: the conviction that God is guiding us and is guiding the Cuban revolution.

Haiti

Further on Damages Throughout Port-au-Prince

FL0901154591 Port-au-Prince Radio Cacique in Creole 0245 GMT 8 Jan 91

[Excerpts] [Passage omitted] Let us talk first about the condition of the streets in Port-au-Prince following the events on 7 January. In Carrefour [southern section of city] there are still large barricades, but they are not burning. There is just the charred remains of the barricades. [passage omitted] There are, however, places in Carrefour where cars and even bicycles still cannot pass in spite of the Army General Headquarters' communique asking the residents to ban together to clean up Port-au-Prince. In Cite Soleil [northwest section of city], despite the communique asking the populace to clear the streets, the Cite Soleil residents remain steadfast, viewing the situation and wondering whether justice will be done and whether the people involved in the attempted coup will be exiled. They were following the situation and commenting on it.

In Delmas [northeast suburb of city]—everybody knows what happened in the Delmas 32 area—where the little Macoutes were resisting today after the 7 January failed coup. With the help of the Haitian Armed Forces, however, the sovereign people succeeded in controlling these people and the Macoutes' premises were even ransacked because these people did alot of shooting. Some of them threw their weapons down and then ran away. [passage omitted]

A Ministry of Interior communique has announced a curfew from 1930 this evening until tomorrow morning at 0500. [passage omitted]

We will now read a pamphlet to you that we have found that says: Let us put an end to the Macoutes so that there will be no more Macoutes. Once again the Macoutes have shown that they want to drink the people's blood. This time, it is serious: The people must completely do away with the Macoutes so that the Macoutes do not completely do away with them. The sole remedy for Macoutes is "dechoucage" [uprooting] and "pere lebrun" [to kill by putting burning tires around a person's neck], because when Macoutes are alive, it cannot (?drink their blood) [as heard]. This time, there is no mercy. All Macoutes, with no exceptions, must be uprooted: Macoutes in priestly robes, Macoutes in blue uniforms, Macoutes in khaki, American Macoutes, and American henchmen Macoutes. No matter where they hide, we will go and get them. We will not give the Macoutes another chance to assassinate the people and drink their blood. If we do not want the Macoutes to completely do away with us, we must completely do away, we must completely do away, we must completely do away, we must completely do away, we must completely do away [repeats five times] with them. It is only the people that can give themselves security. The people's camp is their sole security and their sole chance is to provide themselves with proper defense brigades, neighborhood brigades, response brigades, and brigades on quarter committees [as heard]. Down with all Macoutes. This is a pamphlet we have read to you showing the solidarity of the Haitian people in the struggle they are waging for democracy. [passage omitted]

The people went to Radio Liberte [associated with the Macoutes]. They took over this station for a long time and said that they are watching it and that they [the people] are the national majority today. [passage omitted]

7 Jan Violence, Lafontant Encounter Noted

FL0901231691 Port-au-Prince Radio Metropole in French 1700 GMT 8 Jan 91

[Text] It is Monday, 7 January 1991, at 0600 in the morning. After a long, sleepless night, it is more than time to take Port-au-Prince's pulse. Threatened by a possible return of Duvalierist Roger Lafontant and his acolytes, the population had spontaneously mobilized in all the streets of the capital during the night.

Nothing like this has been seen since 1986. Barricades are spaced at 20-meter intervals, some very high, others feeding strong fires. The population, in a terrified state, refused passage even to journalists. It was therefore impossible to get any idea about the situation during the first hours of the morning.

We actually had to wait for the arrest of Roger Lafontant before we could start driving around. Delmas 83, a house belonging to Roger Lafontant, is ransacked, burned to ashes as a sign of victory, its arsenal of weapons burned by the population, which brandishes M-16's. Frozen chickens have been thrown on the floor, the population refusing to eat food found in the Macoutes' houses. Before us Delmas is dark with people, smoke, and barricades. Far away on the mountain to the right, the house of the apostolic nuncio is burning.

We go toward the city and come upon the first corpse, burned to ashes in the Musseau area [a northeastern suburb of Port-au-Prince]. According to the people on the spot, it is the remains of Henri Namphy's former chauffeur.

We continue our journey, more or less barging our way through barricades. In many places, columns of smoke are rising in the sky of Port-au-Prince. In the heart of the

capital, in front of the National Palace, armed with pikes, sticks, machetes, and other improvised weapons, the population dances before the tanks, demanding the head of Roger Lafontant.

In the Army's general headquarters we find him handcuffed, his acolytes bound hand and foot with rope. It is the first time we are face to face with this man, a sadly unforgettable moment. Even to the end, he is arrogant. He fixes a haughty, contemptuous look on my camera's eye. In contrast to Roger Lafontant, his companions sit with bowed heads. Alphonse Lahens in particular, sitting on the floor, appears a completely broken man. Only Marjorie Rubens, former director of public relations for the Union for National Reconciliation [URN], holds her head high and scoffs at us with her smile.

The sun is at its zenith when the tanks move toward Delmas 32, where the URN building is located. According to information gathered since this morning, Lafontant's men defended the area with heavy weapons. A grenade was thrown, killing four people instantly.

We follow the tanks. In the Lalue area, the population plunders Galerie 128, a general store, while in the background, the Texaco gas station and Lalue supermarket are burning. The Army arrives on the scene and throws gas grenades. Scattered momentarily, the population quickly begins plundering again until the police intervene, shooting at the people in the store. Two of them are dead, including a very young child. Five are wounded. After calling an ambulance, we return to Delmas 32.

On Nazon Street, an apocalyptic scene awaits us. We count six burned corpses. The horror mounts. Eight dismembered bodies lie in the street. Former partisans of Roger Lafontant did not escape the fury of popular vindication. They were slaughtered with knives and pikes. Some were eviscerated, others emasculated. Before our horrified eyes a taxi driver, with passengers inside the car, drives over the bodies. One must ask: Where does hatred end? The violence is multiplying in the city. In Petionville, a drugstore belonging to Carmen Christophe, known as a Macoute, is destroyed and burned, as is her private home in Peguyville and the five cars parked in the court.

We return with many images in our heads. Smells and sounds fill our heads. It was a day that will live in the annals of history. One hopes it is the last time one has the opportunity to witness so much destruction, murder, and hatred.

State Council Urges Investigation of Coup Attempt

FL1001011991 Port-au-Prince Radio Haiti-Inter in French 1500 GMT 9 Jan 91

[Text] Following the events of 6 and 7 January, which could end tragically for the country and the democratic transition, the State Council feels an obligation to raise a cry of alarm to other concerned authorities.

The presence of armored tanks; Roger Lafontant's unopposed entry with several accomplices into the National Palace; his occupation of the National Palace for more than 12 hours; and the participation of the government radio and television in broadcasting the communiques following the macabre drama imposed on the nation are indeed facts that require an immediate, public investigation into the circumstances and complicities that made this scenario possible.

The State Council speaks on behalf of the nation in asking for the immediate institution of an investigating commission consisting of independent citizens who can provide the country with enough information to bring the framework of events up to date, thus setting up the judicial machinery.

Meanwhile, the State Council warns against even vague thoughts of deporting the coupists, as this would be contrary to the terms of the Constitution.

Army High Command Warns Against Acts of Violence

FL1001014491 Port-au-Prince Radio Metropole in French 1700 GMT 9 Jan 91

[Text] The High Command of the Haitian Armed Forces [FADH] advises the public that acts of vandalism, plundering, sacking of commercial and residential houses, and the practice of burning human beings will not be tolerated. These acts of violence dishonor not only the individuals involved, but also the entire country.

Aware of their duty to protect the security of life and property, the FADH vigorously condemns these acts and has issued the necessary orders to the military organizations to have them stopped. Any and all persons guilty of such crimes will be arrested and handed over for criminal justice.

Aristide Discourages Revenge; Urges Unity, Faith

FL1001024191 Port-au-Prince Radio Haiti-Inter in Creole 1700 GMT 9 Jan 91

[Text] Brothers and sisters, a promise is a promise. I had promised you that Mrs. Ertha Pascal Trouillot would be back in her office as the provisional president. I wish her good luck. I support the State Council with the protocol of the 4 March 1990 agreement.

I note that you are at the same time happy and sad, happy because Roger Lafontant and other terrorists like him are in jail, and sad, because he and his accomplices are not in your hands. I understand your desire to catch the powerful Macoutes today so that they do not destroy you tomorrow. This is legitimate.

Be careful, however, to avoid the trap of provocation. Beware of evil persons who are doing wrong, but accusing you. Watch for them, capture them, block them, prevent them from creating disorder. Roger Lafontant's accomplices in the coup d'etat are dangerous to the

Army as well as to the Haitian people. They are dangerous to the democracy that we are establishing. If today they are hiding under the protection of weapons, tomorrow they will return with the same weapons to attack the Army, the people, and democracy.

Officers, noncommissioned officers, and soldiers, with your chief in command, we have won two historical laurels: one for security during the 16 December elections, the other for uprooting Roger Lafontant from the National Palace. Officers, noncommissioned officers, and soldiers, after those two important victories, let us join together for a third victory, the immediate arrest of the terrorist Macoutes who are hiding behind deadly weapons. The criminals are in front of the people's eyes. The people know them. The people are mobilized to arrest them to avoid the assassination of our newly established democracy. All religious authorities, democrats, diplomats, and friends of the Haitian people, please listen to the call of our dear Haiti and say no once again to impunity!

We, the elected president of the Republic of Haiti, are protesting energetically against impunity and injustice. The fires of the nuncio and the ancient Cathedral of Port-au-Prince, the sacking of the building of the Episcopal Conference of Haiti, and other painful scenes offer a hideous show. People, the shrewd observer can recognize the explosion of popular anger in the face of impunity for the terrorist. I share the pain of the religious authorities and the diplomatic corps. If more than one can restrain their anger, soon all will dance the dance of joy at the advent of our government, a government of justice for all, of openness and honesty, of participation for everyone.

On 6 January, in the afternoon, I was at the MOP [Movement for the Organization of the Country] building in Delmas. On 6 January, in the evening, Macoute terrorists burned the building. On the night of 6 January a commando under Roger Lafontant's orders came from the National Palace to pick me up at my house.

Poor souls, they have not recognized that we have a great master who prevents us from bowing down to small masters in order to keep our heads clear. Before we were the servants of people, but we broke the chains of dictatorship so that we can live free in democracy. For us to establish democracy, we must acknowledge: 1) that there are accomplices' plots; 2) that the Justice Department must take action; 3) that urgency is called for; 4) that we must be vigilant without revenge; 5) that there must be a disciplined brigade above, an attentive brigade below, and Macoutes must be caught in the middle; 6) that plots of division cannot destroy the unity between the people and the Army; and 7) that on 7 February, a historical marriage for a democratic mission will take place. Alone, we are weak, together we are strong, tightly united we are an avalanche.

Panic Reportedly Continues in Cap-Haitien 9 Jan

FL1001144091 Port-au-Prince Radio Metropole in French 1700 GMT 9 Jan 91

[Report by Ronald Jean from Cap-Haitien]

[Text] Incidents between civilians and the military have left six dead and several wounded in Cap-Haitien. Here are details from our correspondent, Ronald Jean.

[Begin recording] Six persons were killed by the order-keeping forces on 8 January. This brings the number of people killed since the events of 7 January to eight. On 7 January there was an atmosphere of sadness in Cap-Haitien as people with bullet wounds filled the emergency rooms of the Justinien Hospital. The cadence of gunfire over the past 48 hours has been a real concert in the northern metropole.

Early on the afternoon of 7 January, the demonstrators sacked and set fire to several businesses, including Gerard Masuci's, Mr. Genser Brutus' La Maison Bed [as heard] which specialized in food products, and La Parisienne Supermarket of Clairome Jean-Pierre. The houses of Reverend Pastor Mario Valcin and Reverend Pastor Renaud Pierre-Louis were looted.

Cap-Haitien is in a state of commotion and panic. On 9 January, the streets are still blocked, preventing traffic from moving. One can still see barricades, [passage indistinct] military men in battle uniform, and some curious visitors who are observing the work of the attackers. The fact remains that Cap-Haitian is cut off from the rest of the country. [end recording]

Jamaica

Gulf Crisis Affecting Oil Imports, Tourism

FL1001032591 Bridgetown CANA in English 2228 GMT 9 Jan 91

[Text] Kingston, Jamaica, Jan 9, CANA—Prime Minister Michael Manley on Wednesday assured Jamaicans that the country will have adequate supplies of basic foods and oil if war breaks out in the Persian Gulf. He however warned that while the country would have no problem in obtaining adequate oil supplies, the ability to maintain a normal supply would depend on the price. "There is no problem with maintaining adequate supplies. The problem is price and whether we will be able to afford normal supplies should war break out", Manley warned.

The prime minister was addressing Parliament on Jamaica's position on the Gulf crisis and steps being taken to cushion the nation against the effects of a war. Striking a sombre note, Manley, whose address was carried live on radio and television, said that already the crisis was affecting the country's oil import bill and tourism. According to official figures, Jamaica's oil import bill for the first quarter of the year stood at US90

million dollars. This is more than half of what the country paid for oil imports for the corresponding period last year.

Manley warned the nation that if there was a war, "normal conservation methods would not be enough". He said however that there was an adequate supply of basic food for the first quarter and there was no reason to believe that supplies could not be maintained for the rest of the year.

Turning to tourism, the prime minister noted that the recession in the Canadian and U.S. economies coupled with the unsettling events in the Gulf were already affecting the industry, as there was a slow down in bookings for the early part of the year. Foreign exchange earnings were going to be down at a time when oil imports were going to be more expensive. And if war broke out there will be a "tremendous strain" on the country's already bad foreign exchange situation, he said.

Manley, who had met earlier Wednesday with members of the opposition Jamaica Labour Party (JLP), announced the establishment of a bi-partisan committee to monitor events and to consider the steps which should be taken in the national interest to protect, as far as possible, Jamaica and its people from the effects of the crisis. He will also be meeting Friday with leaders from the church, private sector and consumer groups to enlist their cooperation in the war effort.

The prime minister repeated his government's support for all the United Nations resolutions including the use of force. But at the same time, he urged that "no stone should be left unturned" for the peaceful resolution of the crisis.

St. Lucia

State-Owned Bank Reports 'Success'

FL0901163091 Bridgetown CANA in English 1427 GMT 9 Jan 91

[By Peter Richards]

[Text] Castries, St. Lucia, Jan 9, CANA—Ten years after it began operations here, the state-owned National Commercial Bank (NCB) is reporting success, but sounding an all too familar note—that there is need to be prudent in the management of the economy.

"If we are not prudent in our management of the financial system and of the economy we could easily be headed for the severe problems of runaway inflation and balance of payments difficulties that have plagued some of our other Caribbean countries one after the other in recent times," the bank's chairman George Giraud warned.

The bank, which organised lavish celebrations marking its 10th anniversary, began its operations here under a cloud of political and economic uncertainty. In 1980, the island had been battered by Hurricane Allen, and the main pillar of the economy—bananas—had been virtually wiped out. Further the political instability brought on by the infighting within the then ruling St. Lucia Labour Party (SLP) led many to believe that the institution was destined for failure. But at the end of its first year of operations, the NCB reported that it had been able to raise deposits totalling EC 15 million dollars (one East Caribbean dollar equals 37 U.S. cents), which have now grown to 140 million dollars.

A pre-tax profit of 213,000 dollars reflected the bank's viability after its first year of operations. That figure now exceeds four million dollars. General manager Betram Clarke said total assets had increased tenfold from the 21 million dollars at the end of the first year of operations. "The figures clearly indicate the remarkable growth of the bank over the year and the kind of confidence the people of St. Lucia have placed in the bank," Clarke added.

Governor of the East Caribbean Central Bank, Dwight Venner, believes that the institution became successful because "it had not been allowed to become a political football." But senior officials warn that the institution is now moving into a period in which external pressures can threaten its existence.

The NCB has a customer base that is derived largely from the banana farming community here, and with uncertainty over banana exports to Europe after 1992, officials say the bank must begin to take action to cushion the possible effect of a situation that could see the collapse of this vital sector of the economy.

"There is also the uncertainty that surrounds the eventual outcome of the Gulf Crisis. War or threat of war could lead to a collapse of the world's economy and this could have grave consequences for the economy of St. Lucia, and hence the liquidity and survival of the bank," Giraud said.

"Where the NCB can go and where the economy will go depends on how well we manage what we have and how much discipline we can impose on ourselves," he added.

In recent months the St. Lucia Government have been warning nationals to exercise restraint in their seemingly extravagant lifestyle. The director of finance here, Bernard la Corbiniere, in a message to the bank on its anniversary warned that the economic well being of St. Lucia "will depend increasingly on the extent to which we can select an appropriate mix of export and domestic goods and services, increase our productivity, strengthen our competitiveness, and establish our exports in raw and existing markets."

"As traditional financial and economic arrangements among countries undergo rapid changes, and as many developed countries slip into recession, there is much uncertainty about the future direction of our small economy, and of our ability to sustain the pace of

economic development that we have enjoyed in recent years," he added. Bankers here are however optimistic that the favourable growth which the island has been experiencing over the past few years will continue, at least for the next five years.

La Corbiniere has indicated that the major sectors of the economy—banana, tourism, and construction—have shown signs of greater improvement than 1989 when the economy experienced a minor slump. Economic growth fell from 6.8 percent in 1988 to 4.4 percent in 1989, mainly as a result of a decline of 11 percent in banana earnings, from about 177 million dollars to about 157 million, but officials indicate that the economy has shown signs of "robustness." Earnings from bananas have increased,—moving to 185 million dollars—while the tourism industry seemed to have recovered in 1990.

"While no official figures have been released, there are very strong indications that during the next five years, public sector investment could run close to 100,000,000 dollars per year," Giraud said.

"If we add this to the investment of the private sector, then the anticipated overall level of investment clearly suggests that the next five years could be a period of very vibrant economic activity," he added.

Economists here report increases in lending by commercial banks in St. Lucia. The Ministry of Finance said that the loan to deposit ratio of the commercial banking system, moved in percentage terms, from about 76 percent to about 84 percent, signifying a decline in liquidity. Giraud said strong pressure on liquidity is expected to continue as the demand for funds for industrial projects as well as mortgage financing and consumer durables is expected to persist.

"We anticipate this trend of increased demand will continue, pushed by good incomes from the expected high level of economic activity over the next four to five years," he remarked.

The government said that it established the NCB in 1981, with the objective of being strongly social, community-based, and development-oriented. It said the bank's main functions were to reduce the cost of banking services to nationals and ensure an adequate return on deposits.

Officials said that the institution sought as far as possible on limited resources to assist government in the implementation of its economic policies by providing support in the fields of agriculture and tourism and was now gradually taking over the administration and financing of a civil servants' car loan scheme.

The bank is in the process of acquiring its own headquarters. NCB officials say in 10 years they have seen an institution grow from a fledgling one-branch unit to a full-fledged multi-branch commercial bank, providing employment for 160 persons.

Peaceful Solution to Gulf Conflict Desired

PA1001025891 Mexico City NOTIMEX in Spanish 0153 GMT 10 Jan 91

[Text] Mexico City, 9 Jan (NOTIMEX)—A Mexican presidential spokesman said today that the Mexican Government remains hopeful that the Persian Gulf conflict will be resolved through dialogue and diplomatic negotiations, despite the failure of the Geneva meeting.

Leonardo French, international spokesman for the Mexican Presidency, said Mexico hopes that with the intervention of UN Secretary General Javier Perez de Cuellar, new paths will be found to peacefully resolve the conflict.

Iraqi Foreign Minister Tariq 'Aziz and U.S. Secretary of State James Baker met in Geneva today but no agreement was reached at the meeting.

The Mexican Foreign Secretariat reiterated French's statement but added no further comments.

PEMEX Director on Wartime Oil Production

PA1001042991 Mexico City XHTV Television in Spanish 0200 GMT 10 Jan 91

[Text] Mexican Petroleum [Pemex] Director Francisco Rojas has said that the policy of Pemex for 1991 will be prudent, as it awaits the results of the conflict in the Persian Gulf.

[Begin recording] [Rojas] The possibility of an armed conflict breaking out in the Persian Gulf—we hope it will not take place—is too dangerous. Should this happen, we in Pemex will continue with our production programs for 1991. The policy of Pemex for 1991 will be prudent, as we await the results and developments in the conflict in the Persian Gulf.

We have increased our production by 150,000 barrels to help achieve stability on the international oil market, which is of priority importance for our country. Stability on the oil market, coupled with stable prices, will allow us to better plan our production programs.

[Unidentified reporter] Will Mexico have the capacity to eventually further increase its oil production?

[Rojas] Eventually, we will have room to increase production. Our capacity to increase production will not be substantial, because we have just restarted investing in the oil industry. Given the recent economic crisis, Pemex investments over the past few years have not been as large as we wanted.

Therefore, we have little room to increase oil production, although we have some capacity for it. However, the most important thing for us to do is to wait for developments in the Persian Gulf. We will make the necessary decisions in due time. [end recording]

Mexico City Criminal Procedures Code Amended

PA0901183691 Mexico City XHTV Television in Spanish 0200 GMT 9 Jan 91

[Text] The amendments to the criminal procedures code applicable to Mexico City, which have appeared in the Official Gazette, are an extremely significant change in the country's justice system.

Mexican Attorney General Enrique Alvarez del Castillo made the above statement on the morning of 8 January during a news conference held in Mexico City.

[Begin Alvarez recording] All Mexican citizens—without exception—will benefit from these amendments at a given time. That is why we made these procedural amendments. We did not amend the criminal code just for the sake of legal technicalities, but to serve the people and to reassert their belief in the essential values of a worthy life that respects personal freedom, equality, justice, and safety. [end recording]

Alvarez del Castillo explained that the amendments to the criminal procedures code have three basic goals. The first goal is to strengthen individuals' rights to defend themselves by increasing the number of lawyers and trustees and providing the accused with the necessary elements to establish his or her defense and prevent the latter from being left incommunicado.

The second goal is to strengthen the Attorney General's Office and to adapt it to its role as a regular investigator of crimes. The third goal is to modernize criminal procedures to make them more efficient, coherent, and dignified.

Attorney General Alvarez del Castillo stressed that one of the most important amendments establishes that only the Attorney General's Office has the right to order a person's detention and that the Mexican Judicial Police will not be allowed to summon or arrest anyone except in extremely urgent cases, in cases of flagrant violations of the law, or if there is an arrest order issued by a judge.

Details of Criminal Code Amendments

PA0901200691 Mexico City Red Nacional 13 Imevision Television 1300 GMT 9 Jan 91

[Report by Benito Rotis; numbering as heard]

[Text] The new amendments to the criminal code presented by Mexico City's attorney general to Mexican Attorney General Enrique Alvarez del Castillo intend to end police arbitrariness.

The amendments to the federal criminal procedures code applicable to Mexico City will go into effect on 1 Febraury 1991. The amendments were published in the Official Gazette today.

The amendments revitalize the basic role of the Attorney General's Office and the defendant's right to a defense. The amendments reassert the authority of the former

and provides guarantees to the defendant with respect to the Attorney General's Office.

The above statement was made by Mexican Attorney General Enrique Alvarez del Castillo.

[Begin Alvarez recording] 8. The accused will be allowed to immediately get in touch with whomever he considers suitable and with the person who will defend him. For this effect, the accused will be allowed to use a telephone or any other appropriate means of communication.

9. The lawyer has a right to know the nature and cause of the accusation.

10. Confessions not meeting legal provisions will not be used against the accused. Confessions should be made in front of a lawyer or a person trusted by the accused.

11. No one will be remanded to trial solely on the basis of his confession.

12. No searches will be conducted unless all legal requirements are met.

13. It is an obligation of the authorities to provide defendants who neither speak or understand Spanish with translators, regardless of whether the defendants are indians or foreigners. [end recording]

Among other things, only the Attorney General's Office—and not the Judicial Police—will be allowed to order a person's detention. The Attorney General's Office will be allowed to summon people to make statements, and only the said office will have the right to take written statements signed by the person who has been summoned.

Preventive Imprisonment Rules Explained

PA0901223891 Mexico City NOTIMEX in Spanish 1906 GMT 8 Jan 91

[Excerpts] Mexico City, 8 Jan (NOTIMEX)—Attorney General Enrique Alvarez del Castillo has announced that preventive detention will only be applied to persons charged with crimes that pose a high degree of danger, such as treason to the fatherland, homicide, kidnapping, rape, or something that would endanger public health.

"The officials of the PGR [Office of the Attorney General] are primarily obligated to respect and protect human rights," Alvarez del Castillo pointed out when rejecting that the PGR will lay off workers as a result of the legal-administrative reorganization, the details of which will be announced in late January. [passage omitted]

Alvarez del Castillo stated that criminal procedures will become more efficient, timely, balanced, and visible. An unacceptable backlog of preventive detention had been building up. [passage omitted]

The PGR—and not the Judicial Police—will be the only office authorized to order a person's arrest and the search of homes, and will draft documents that contain any depositions or confessions.

Alvarez del Castill announced that any official of the PGR who violates any of these dispositions will be subject to penalties that range from administrative sanctions to being turned over to the courts.

Salinas Makes New Government Appointments

PA0401222591 Mexico City XHTV Television in Spanish 0200 GMT 4 Jan 90

[Text] President Carlos Salinas de Gortari appointed today the following officials:

Emilio Gamboa Patron, director, Mexican Social Security Institute.

Javier Bonilla, general director, National Company of Basic Commoodities, Conasupo.

Gonzalo Martinez Corbala, general director, Institute of the National Hosuing Fund for Workers, Infonavit.

Humberto Mosconi, general director, Mexican National Railroads [Ferrocarriles Nacionales de Mejico].

Oscar Espinosa Villareal, general director, National Finance Bank, Inc., Nafinsa.

Fausto Alzati, general director, National Council for Science and Technology, Conacyt.

Norma Samaniego, deputy secretary, Labor and Social Welfare.

Juan Jose Paramo, director, Aseguradora Hidalgo.

Luis Miguel Moreno, president, National Stock Exchange [Comision Nacional de Valores].

In the case of the Infonavit general director, the appointment has to be ratified by the Infonavit's own assembly.

Costa Rica

Foreign Minister Comments on U.S.-Iraqi Talks

PA1001023891 San Jose Radio Reloj in Spanish 0121 GMT 10 Jan 91

[Text] The outlook for the world is discouraging in view of the failure of the negotiations between the United States and the Iraqi Government, according to Costa Rican Foreign Minister Bernd Niehaus. Today's events have brought us dangerously closer to a conflict, which humanity does not want, the foreign minister said while commenting on the results of the talks between the U.S. secretary of state and the Iraqi foreign minister.

Niehaus said that since the announcement that 15 January would be the deadline for the withdrawal of Iraq from Kuwait, humanity has trembled, because no solution has been found.

He said that even though a step has been taken away from resolving the conflict, there is another possibility with UN Secretary General Javier Perez de Cuellar. The UN secretary general will hold direct talks with the government of Saddam Husayn as a last attempt by the international community to scare off the specter of war.

Foreign Minister Niehaus said that the consequences of a confrontation would be catastrophic and therefore the Costa Rican Government calls on the Iraqi Government to consider the consequences of this conflict for humanity. The consequences of a war in the Persian Gulf would be unfortunate for humanity, the foreign minister said.

The harmful effects would be serious, because hundreds of thousands of innocent people would be killed in an unnecessary confrontation at a time when humanity is breathing a sigh of relief because of East-West detente and because the world is seeing the possibility of improving the situation of man on this planet, Niehaus said.

He said hopefully that the time that remains before 15 January will make it possible for the Iraqi leaders and those who have direct influence on the situation to avoid confrontation to find a diplomatic solution.

El Salvador

FMLN Arrests 2 for Killing U.S. Soldiers

PA0901174691 Paris AFP in Spanish 1719 GMT 9 Jan 91

[Text] San Salvador, 9 Jan (AFP)—The Salvadoran guerrillas announced today that they have detained two fighters on suspicion of killing [asesinato] two U.S. soldiers last week in the eastern part of the country.

The Farabundo Marti National Liberation Front [FMLN] admitted in a communique that, following investigations of the incident, "two members of the military unit were taken into preventive custody on suspicion of killing wounded prisoners of war."

Three U.S. soldiers were killed on 2 January in the eastern department of San Miguel, after the guerrillas downed the helicopter in which they were traveling.

Charged With Killing Prisoners

PA0901184991 Mexico City NOTIMEX in Spanish 1802 GMT 9 Jan 91

[Text] San Salvador, 9 Jan (NOTIMEX)—The Salvadoran guerrillas announced today that two of their members are under "preventive arrest" because of their possible involvement in the killing of two U.S. soldiers last week in the eastern part of the country.

In a communique issued here, the rebels said that following preliminary investigations, two guerrillas were detained provisionally "on charges of killing wounded prisoners of war."

A week ago, rebel units downed a helicopter gunship crewed by three U.S. advisers, one of whom was killed in the crash, while the other two were killed on land, according to official reports.

The report issued by the Farabundo Marti National Liberation Front (FMLN) stated that "there was sufficient evidence to presume that some of the crew, while having the status of wounded prisoners, were killed by our military unit."

The guerrillas maintained that the incident took place "in conditions of our full military control of the terrain," and said that "this has serious implications for the public image of the National Army for Democracy and the FMLN."

The communique states that the downing of the helicopter was "a legitimate defensive action," and described as "provocation by the U.S. advisers the fact that they entered a combat zone in a military aircraft in an attack formation."

The FMLN said that it will continue the investigations and if the guerrillas are found guilty of the killing, the organization will act "with great severity in conformity with our rules of justice in war."

The communique indicated that the FMLN's procedure "is in line with a policy of respect for life, for prisoners of war, and for the civilian population."

"Any premeditated action that departs from this policy will be classified and punished as a crime, as has been done in other cases, the present difference being that these investigations are of public importance because of the nationality of those killed."

Army Demands FMLN Turn Over Perpetrators

PA0901233391 San Salvador Radio Cadena Horizonte in Spanish 1800 GMT 9 Jan 91

[Report by Alexis Diaz]

[Text] Colonel Mauricio Ernesto Vargas, Armed Forces deputy chief of staff, demanded that the Farabundo Marti National Liberation Front [FMLN] turn over to

the country's judicial system the two guerrillas who cold-bloodedly murdered two U.S. military advisers. The high-ranking officer was interviewed on Radio Horizonte and he described as cynical the fact that after FMLN General Command had admitted the murder of the U.S. advisers, it now says that the two involved in the crime are to be punished by the FMLN's own laws. Vargas said that the two fighters are scapegoats and that more people are involved in this murder. Vargas said that the U.S. advisers were gunned down after they survived the downing of their helicopter, and for this reason, the FMLN should turn over the guerrillas to our country's legal system.

[Begin Vargas recording] I believe that the FMLN's statements are cynical and brazen. First, the system of justice is completely defined in this country. We cannot make exceptions, because if we did, each sector in our society would have its own court and would implement its own justice. This would mean that Salvadoran merchants, industrialists, [words indistinct] would implement justice as they see fit. This is an insult to the intelligence of our democratic society. The people have to be told that such a position is entirely unacceptable. The concept of justice—be it good or bad—is clearly defined all over the world. Let us change it if we do not like it. Let us perfect it if it is imperfect. We cannot, however, cynically and brazenly say that we will each have our own definition of justice and will judge according to it. This is an insult to the intelligence of our democratic, civilized society. The basic premise for this stance is incorrect. [end recording]

Col. Vargas, who is also the Armed Forces representative to the official dialogue commission, asserted that the FMLN's murder of the two U.S. officers shows the rebels as they truly are and that the incident also allows the international community to see their true colors.

[Begin Vargas recording] The famous [word indistinct] that the FMLN has talked and boasted so much about has been left out in the open with this incident. The Salvadoran people and all the democratic organizations should take a hard look at the FMLN's actions and how their statements are issued only to cover up for their actions. On this occasion, they first denied their crime, then they blamed other sectors for the deaths, and now they have accepted it for cosmetic reasons. I believe that they should have started by accepting the death of (Mauricio Borgonovo), our former foreign minister, and Mr. Poma [not further identified]. All the crimes they have committed with impunity have been uncovered for the democratic society to see. I say this because the murder of the U.S. officers is not an isolated event. Here we see another FMLN murder with impunity. We have seen the [word indistinct] who were murdered. All these crimes cannot be covered up cosmetically by presenting scapegoats. The FMLN has not been punished for their crimes throughout the years. They cannot brandish the flag of punishment because their crimes—murders, thefts, abductions, extortion—have not been punished over the past 10 years. These are crimes we all know the FMLN has committed. [end recording]

The high-ranking officer reaffirmed that the murder of the two U.S. officials in Lolotique, San Miguel Department, shows that it is urgent that a peaceful solution to the armed conflict in El Salvador be reached because if not, these regrettable events could occur again.

MPSC Leader Praises FMLN Investigation

PA1001011691 San Salvador Radio Cadena Horizonte in Spanish 1800 GMT 9 Jan 91

[Report by Mauricio Burgos]

[Text] Ruben Zamorra, general secretary of the Social Christian People's Movement [MPSC], has said that the decision of the Farabundo Marti National Liberation Front [FMLN] to start an investigation into the death of the U.S. advisers was positive. Zamorra said that this was the best way for the FMLN to reject charges of impunity. He also stated that the FMLN's resistance to turning over the individuals the investigation determines are involved in this incident to Salvadoran justice is nothing more than clear evidence that the rebels completely reject the legal system, which is one of the reasons they are up in arms.

[Begin Zamorra recording] It seems to me that the FMLN cannot turn over anyone to Salvadoran justice because this would mean that it recognizes the legitimacy of that system of justice and the FMLN is up in arms against it. The Geneva Convention clearly defines the administration of justice in war situations. It specifies that each army must administer justice separately. In this case, we insist that the administration of justice be impartial, credible, and prompt. I believe it is a positive sign that the FMLN has quickly identified the guilty parties and that a thorough investigation is to be carried out. This shows that, at least in this case, impunity does not exist. This is indeed an improvement in a country where the Jesuit case has demonstrated how much impunity exists and where even government prosecutors have to resign. [end recording]

Zamorra's statements were made during a news conference held by the political opposition parties—Democratic Convergence, Christian Democratic Party, UDN [National Democratic Union], and Democratic Action—to announce their decision not to attend the pre-scheduled meeting of the interpartisan commission with President Alfredo Cristiani until the government complies with the agreements it has reached with that commission. Furthermore, the opposition political figures noted that they are not willing to go along with the propaganda campaign arranged for the arrival of the Venezuelan President Carlos Andres Perez. They indicated that President Cristiani wants to use their commission to make it seem like everything is normal in the country.

Army, U.S. Charged With Hindering Jesuit Case

PA1001012591 Panama City ACAN in Spanish 0001 GMT 10 Jan 91

[Excerpts] San Salvador, 9 Jan (ACAN-EFE)—The two prosecutors, who investigated the murder of six Jesuit priests and two women that was committed in San Salvador in November 1989 and who resigned on 8 January, said today that the solving of the murder case depends only on the military high command.

Henry Campos and Sidney Blanco reiterated that their resignation was prompted by a series of differences and pressures that limited their working ability. They added that there was no use in continuing to support an investigation process that became more difficult as time went by.

In a news conference with the international press, the former prosecutors stated that it is very difficult for the judicial branch to make any progress in this investigation when the military is exerting pressure to obstruct finding the masterminds of this murder. This only depends on the high command of the Armed Forces. [passage omitted]

The former prosecutors accused U.S. Embassy officials in El Salvador of exerting pressure and threatening them so that they would stop investigating this case. They also accused Prosecutor General Roberto Mendoza for limiting their ability to solve the case and for neglecting them.

Prosecutors Cite 'Irregularities'

PA0901225591 San Salvador Radio Cadena Sonora in Spanish 1700 GMT 9 Jan 91

[Text] We have a last minute report on the resignation of the two former prosecutors who participated in the investigation of the murder of the six Jesuit priests. Today we exclusively interviewed the former prosecutors of this case, namely, Sidney Blanco and Henry Campos. They said that, within the framework of this investigation, there have been a series of differences. They added that they have also been pressured. Let us now listen to some of the statements made by the prosecutors. In our next news segment, we will have more details.

[Begin recording] [Blanco] We, the two prosecutors, resigned yesterday from the Prosecutor General's Office in view of the irregularities and the lack of professionalism with which this office has treated this case.

From the beginning, we thought that the investigation of the case of the Jesuit priests would be conducted in an atmosphere of mutual cooperation between the government institutions so as to clarify this incident. Therefore, we felt that it was important to work at the prosecutor's office and cooperate in the proper administration of justice, particularly in this case.

Down the road, however, we realized that the interests of the prosecutor's office as an institution are not aimed at pursuing a clean investigation, as one can infer from the behavior displayed by the high-ranking officials at that office. They have resigned themselves to accepting the thesis presented by the military, which is interested in obstructing the case of the Jesuit priests.

Given all of the aforementioned irregularities, we decided that it would be proper for us to resign. We were the only two prosecutors who fully devoted our time to this trial in order to administer justice. It is not true that we have worked together with other institutions. The general prosecutor knows very well that some of us were interested in this trial and others simply were not.

[Reporter] Do you think that there is a willingness on the part of the authorities to resolve this multiple murder case?

[Blanco] I think that there is still a chance to investigate this crime so that impunity does not prevail. Some of us have good intentions, but those responsible for actually showing that they are interested, are really not. [end recording]

These were some of the statements given by the former prosecutor of the Jesuit case, Sidney Blanco. We also talked to former prosecutor Henry Campos, who also resigned. He expressed his disagreement with the investigation of this case. This, he said, ultimately prompted his resignation.

[Begin recording] [Campos] Our resignation was prompted by a series of differences that we had with the prosecutor's office regarding our job on the Jesuit case. We made several proposals, which were later filed away in the desk of any official at the prosecutor's office, or were edited or only part of the technical work was done.

[Blanco] We were surprised by the fact that the prosecutor general, in his technical evaluation, which we accepted, never took the time to review the process. That is, we technically understood that he was not going to make any corrections to our writings, perhaps based on political considerations or pressure exerted from outside of the institution, which was forced to block the ideas and proposals that we made.

We do not know for a fact where the prosecutor general got this pressure from. However, the soldiers involved in this case and other soldiers evidently displayed their favoritism and interest to end this case without it being fully clarified. [end recording]

These were some of the statements given by the two former prosecutors Sidney Blanco and Henry Campos regarding the Jesuit case. Please stay tuned to Radio Cadena Sonora as we will have more details later on.

Said To Resign Under Pressure

PA0901190091 San Salvador Canal Doce Television in Spanish 0314 GMT 9 Jan 91

[Text] Salvadoran Archbishop Arturo Rivera y Damas has said that the Catholic Church is concerned over the resignations of Henry Campos and Sydney Blanco today, two of the prosecutor attorneys assigned to the Jesuits' case. Rivera attributed these resignations to pressures within the process itself and said that this makes the investigations less reliable.

[Begin recording] [Riviera] I interpret these resignations as the result of pressure because of the role Campos and Blanco had been playing and their desire to do their duties as every attorney prosecutor should; that is, to see to it that justice is properly administered. I believe this to be so. Although a few days ago the prosecutor general denied the existence of any pressures, I felt certain there was.

[Journalist] What kind of pressure?

[Rivera] Well, we knew because they themselves had voiced this problem.

[Journalist] [Words indistinct].

[Rivera] There was already little credibility in the process. I believe that these resignations due to pressures detract from such credibility even further.

[Journalist] What can be expected?

[Rivera] We expect there will be a rectification because there is much that can be done. [end recording]

Referring to U.S. President George Bush's probable request to the U.S. Congress to unfreeze 50 percent of the military aid earmarked for El Salvador, Rivera y Damas said that the last word has not yet been said.

[Begin Rivera recording] It had already been said that should any offensives or armed actions occur while the peace process is under way the money could be unfrozen. For the time being, it has been said a request will be presented to unfreeze the money. However, this has not yet been made, so it is probable that this request by President Bush will remain unfulfilled. [end recording]

Rivera made these remarks after participating in the opening of a drive for peace, an event attended by all of the country's bishops. This Catholic celebration (?will close) on Thursday after the ecumenical events included in the program are completed.

Alfredo Cristiani Comments on FMLN, Economy

PA0901151491 Mexico City Red Nacional 13 Imevision Television in Spanish 1413 GMT 8 Jan 91

[Interview with Salvadoran President Alfredo Cristiani by Pismenio Ibarra; place and date not given—recorded]

[Text] [Ibarra] A very important meeting is going to take place in Chiapas, Mexico. How do you view your country; how is the situation in El Salvador now?

[Cristiani] We have two important issues in our country. One is the armed conflict we have been enduring for more than 10 years, and the other is the effort to revive the Salvadoran economy. This meeting in Mexico is very important for us because it can open new horizons for economic development in El Salvador and the Central American region since the Central American countries are already promoting integration.

We have come here with optimism because this new relationship that Mexico is opening with its southern neighbors with much intensity has created, I believe, new perspectives in both the political and the economic fields.

[Ibarra] Much is being said about peace and development, but there cannot be peace without development. What can we say about the current state of the negotiations? What are the possibilities of a prompt solution to the Salvadoran conflict?

[Cristiani] I am an optimistic person. I think that the only viable solution, the one that has the best possibilities of success, is the peace process that began last year. We believe that 1991 could be a year that will find increasingly suitable conditions for a cease-fire and for reconciliation in the country.

We agree that peace is not only the absence of bullets. We have to make a simultaneous effort so that progress in the country may reach all the citizens and so that peace goes together with prosperity for all the people.

I believe that new hopes are emerging to make this happen. There is the peace process, which has been making progress, and which in spite of obstacles, which were inevitable at the beginning, is yielding results. Perhaps this year, as we have optimistically foretold, will be the year of peace in El Salvador. This would serve to further stimulate economic and social improvement in El Salvador.

[Ibarra] The conflict seriously increased at the end of last year and at the beginning of this year. How do you justify your optimism, considering what has been happening on the battlefield?

[Cristiani] The increased violence by irregular groups in our country produces a stronger rejection of violence from the people and pushes them to make more vibrant demands for an end to the violence as soon as possible. I believe that the FMLN [Farabundo Marti National Liberation Front] has made another mistake by thinking that it will benefit from generating more violence, from an increase in violence. The people are tired of suffering. There have been many civilian victims as a result of this FMLN escalation. The people feel this; they suffer from it. Because of this, all Salvadorans are vigorously seeking peace to make it arrive as soon as possible.

I think that it is necessary that the FMLN also come to its senses. It is not possible to think that an increase in violence will bring anything positive. There is a peace mechanism. There is a serious process, and this should be the path that all of us, including the FMLN, must follow as the way out of this conflict to find reconciliation and prosperity.

I think that this offensive, like the one of 1989, has generated strong demands from the Salvadoran people against violence, for an end of violence. This should make the people who insist on generating violence think carefully.

[Ibarra] What are the perspectives of the negotiations? An important event has happened: The illegal sale of arms by Nicaragua. What is the international significance of this?

[Cristiani] The FMLN cannot function without some sort of support from abroad. I think it is necessary to cut those support channels. This was one of the requests that four Central American presidents recently made in Puntarenas. We believe that if there were no peace mechanisms, we could not make this request, but there is the peace process that is going on, and this process makes increased violence something completely unjustifiable, especially when this violence is supported from abroad by groups, or governments in some other cases.

This missile crisis, as it has become known in Nicaragua according to reports we have read, makes it necessary to adopt more drastic steps to once and for all cut aid that only brings death, desolation, and destruction to our country.

[Ibarra] Mr. President, going back to the development issue, following 10 years of war in the midst of the acute economic crisis the continent is enduring, what are El Salvador's possibilities for improvement?

[Cristiani] That is the kind of question that calls for an extensive answer, but I will try to be brief. We had two problems that, economically speaking, negatively affected the country. One problem is the conflict. The other problem was a mistaken past policy that promoted statism. We had to correct that. We have begun by promoting a free market program, a social market economy in which individual forces from the community generate economic activity and are allowed to function in a certain framework. This is the only kind of control the government has tried to establish, so that this system may be developed. That is, the government has clearly established the rules of the game, and then it has allowed the market to function in the framework of those rules and norms. We only intervene as government in a subsidiary fashion, and we do it only when there is no intermediate sector able to satisfy a certain need.

We believe that these measures we have been implementing since July 1989 allowed us to see at the end of 1990 some positive economic signals: Economic growth, instead of being negative, as it was in the 1980's, was almost three percent. This is so in spite of the conflict. The economic sector has confidence now, knowing that the government will not interfere in economic affairs unnecessarily, and there is a serious peace process that could lead to the light at the end of the tunnel. This generates a feeling of trust, and this is what we are trying to create for the Salvadoran economic sector so that it may function dynamically.

We believe there is another important facet of the economy: the Salvadoran people, who have always been known for being very hard- working and very enterprising. All they need is to be allowed to develop and to operate freely. We think that the options for economic development in El Salvador are excellent, especially if we secure an end to the conflict.

[Ibarra] How can the Salvadoran potential be related to regional integration and to economic cooperation?

[Cristiani] We think that expanded markets are beneficial for a country or region. Central American economic integration is most important, because if an industrial sector produces goods only for a small market and finds difficulties when it seeks participation in other markets, that industrial sector grows distorted and very deficient. We think that Central American integration will permit larger industrial development at the Central American level.

The fact that Mexico now has opened its doors to the Central American region further enhances the possibility of increasing trade among the countries, and Mexico is, of course, a very large market, larger than all of Central America. This gives our countries a market where we may sell our products. Besides, the fact that the economy will be open—which is one of the effects of either economic integration or of a free market treaty—forces the industrial sector to be more efficient, because there is more competition and less restriction for the competition. All this results in higher quality products and more efficiency, and this helps development.

[Ibarra] Under what conditions would a free trade zone that includes Central America, Mexico, and the United States be favorable to El Salvador, to Central America?

[Cristiani] At this point, we have to take into consideration the fact that the Central American industrial sector was born and began to take its first steps in the framework of a regional free market. We believe that no one can run before he can walk. We think that it is not suitable to sign a free trade treaty with so many countries at once. I think we have to do that after we are able to advance in that direction. As I said, our industry grew in a regional free trade environment. The opening of a new market, such as the Mexican market, in the framework of a short-term trade agreement, would be very beneficial for both the Central Americans and the Mexicans, as long as this trade takes place without any kind of restriction and benefits everybody.

As the industrial sectors in our countries become more adequate, integration or free trade agreements could be sought with larger markets, because we have to start competing with other continents.

The Americas are, and should be, the natural market of American producers, and in the future it will be quite appropriate to expand north or south.

Honduras

Callejas Discusses Regional Issues, Summit

PA1001023491 Mexico City Red Nacional
13 Imevision Television in Spanish 1518 GMT 8 Jan 91

[Interview with President Jose Leonardo Callejas by Reporter Epigmenio Ibarra in Tegucigalpa; date not given—recorded]

[Text] [Ibarra] Mr. President, we are on the eve of an important meeting that will take place in Chiapas. What is the attitude that the Honduran Government will bring to this summit?

[Callejas] An extraordinarily positive one. We believe that the meeting involving the five Central American presidents, the Mexican president, and the representatives of other countries will mark the beginning of another phase in the relations between Central Americans and Mexicans. Above all, it is a new dimension of the future economic and social well-being of the region.

I am very optimistic. Although the meeting may not yield very concrete results, there will be unusual political results full of extraordinary possibilities for Central America.

[Ibarra] In the past 10 years the region has represented [words indistinct] a permanent focus of repression. It seems that [words indistinct] in Central America. How would you assess the current situation in Central America and especially in Honduras?

[Callejas] We are on the path to peace. This is not easy. The conflict in El Salvador persists. This is obviously linked to the economic crisis that has afflicted Central America for many years and is afflicting the world at this moment. Therefore, peace is now a goal. Yesterday it was an illusion; today it is an objective. Perhaps its was a hope yesterday. This is no easy task. This is why not long ago in Puntarenas, Costa Rica, we, the presidents, decided to strengthen the negotiation process under the United Nations and to assume a more active role in the search for alternative solutions.

It is essential for Central America that there be a cease-fire in El Salvador, that there be a willingness to reach agreements among the parties involved, and that all Central Americans be given the option to live in peace. Without peace there is no economic growth and there is political uncertainty. The danger of violence exists in the Central American region because this danger goes beyond Salvadoran borders. This is why is it very important that at this meeting—like those meetings we held in the recent past and that we will continue to hold in the future—we emphasize our search for peace in Central America, despite our economic and social problems.

[Ibarra] What would be the basis for a stable and lasting peace in El Salvador and a recovery in Nicaragua?

[Callejas] In my particular case, I can express the Honduran people and government's determination to support any effort to seek peace in El Salvador and consolidate the democratic process in Nicaragua. The situation in these two countries is very different. There is no longer an internal conflict in Nicaragua. There are political differences and differences regarding the handling of the administration, but there is no war. There is an ongoing war in El Salvador, however, blood is being shed day after day.

Therefore, the Honduran Government and myself in particular express our determination to help find such solutions through whatever paths are chosen by these people because this is an internal affair. El Salvador must find its own path just as Nicaragua has done. This involves internal affairs to which we will offer our contributions; but the decisions pertain only to Salvadorans and Nicaraguans.

[Ibarra] Mr. President, the optimism reflected in your words and those of President Cristiani in his country contrasts with the reality on the battlefield. Do you believe that a society that is so polarized and that is facing an economic crisis will be able to create the conditions leading to a negotiation to attain peace?

[Callejas] I do not see why this objective cannot be achieved as long as that negotiation respects the rights and interests of society as a whole and groups in particular. If the peace dialogue seeks unattainable and nonnegotiable proposals, there will be no positive results. I am optimistic, however, that there will be possibilities for peace in El Salvador should the conflicting parties realize that the main aim is to eliminate violence and sit down to find solutions and options for the various groups involved in the conflict.

[Ibarra] Mr. President, peace is linked to development and general structural problems. How do you think that cooperation and regional integration could help overcome these problems?

[Callejas] Perhaps it is not so true that development is the reason peace exists or that peace is the reason development exists. This is a point that it is important to analyze. Honduras faces extreme poverty problems. However, we live in peace. Why? Because we have maintained dialogue, respect, and communication among the various sectors of the population.

It is true that development contributes to peace, but it is not a requirement. What peace requires is the people's

willingness to find through dialogue a consensus based on the best options. There should be freedom of protest, of expression, of organization, and of political liberties. Within that context, international support in the search for peace in Central America should not be seen only from an economic standpoint. It should also help create an atmosphere that will guarantee respect for citizens' rights. In the long run, that is what will bring peace to Central America, particularly El Salvador. The parties involved in the conflict should respect each other.

As I said, the Salvadoran problem is a Salvadoran internal affair. However, we live in a region with neighboring countries having a similar background and culture. We in Honduras realize that for many reasons we have not been able carry out the difficult economic programs we are required to implement. After holding talks and analyzing the situation, however, we have come to the conclusion that the ideological struggle is not the objective of society. The pragmatism of the struggle against poverty is what counts. That is my message to the Salvadoran people, based on what Honduras has experienced. We have peace because we Hondurans want to live in peace and because we are willing to yield, to reach agreements, and to make concessions. Dialogue means converging in the middle of the road; it does not mean adopting inflexible positions that will not let dialogue be the route for peace.

[Ibarra] Do you think that the Chiapas summit will be a good framework for promoting a political initiative that will accelerate and promote peace in El Salvador?

[Callejas] It should be. A meeting at this level, a meeting of Central American presidents with the Mexican President and with foreign ministers from other leading Latin American countries is an appropriate forum to deal specifically with this subject. I hope that this point will be included in formal or informal talks.

[Ibarra] Regarding the economic development problem, you assumed the Honduran Presidency at a very critical time. Without going into details, how would you describe the challenge you must face in the economic field?

[Callejas] I must bring the country out of bankruptcy and recover its economic and financial credibility. That is the truth. It is difficult to describe it in other terms. I received a nation—those who are versed on this matter will probably understand this well—with an annual fiscal deficit that surpassed 12.5 percent. Those are dramatic and incredibly high figures that reflect an economic calamity. In that regard, I have had to face a very complex situation. We are overcoming the problem and I am optimistic. I have had to, however, face the crisis of a nation in bankruptcy to make it move ahead. This has required great sacrifices from the people. Getting Honduras out of a profound and dramatic economic crisis and giving it an economic respite has cost the Honduran people an enormous sacrifice. The situation in our country is very serious. Consequently, we need international support and solidarity for our development.

[Ibarra] What corrective measures must be adopted in order to rectify that situation?

[Callejas] First of all, we must be strict. We need fiscal discipline. We should be aware that the state, as a society, is suffering the effects of governments that have spent more than they could, thus affecting our national economy. Consequently, the most appropriate way to face the problem is to understand that the state must restrict public expenses in order to create a society of opportunities—a productive society. This is not simple because it also requires a change of attitude on the part of citizens who have been subject to state paternalism. They must become citizens who are capable of using their own initiative in a society of opportunities. This is not easy. It is a cultural, social, and economic shock, but it is necessary. Otherwise, the country will continue on a path that is totally divorced from our reality and our future.

[Ibarra] What role could Mexico and regional integration play in finding solutions for those problems? How could this be applied?

[Callejas] First of all, it can contribute with its experience, its knowledge of problems, and the vitality of its new economic and social plans.

The Mexican experience led by President Carlos Salinas de Gortari, a man I truly admire, is very interesting, because he has taught us that a society even more complex than ours can be transformed. We are learning from his experience to build better alternatives for our people.

Secondly, Mexico has great economic potential and political importance at the international level which can give Central Americans, particularly Hondurans, access to a new market and the newly-created economic, social, and political blocs. Honduras can have access to a new situation that will allow us to break the traditional geographic borders and eliminate them within the framework of new opportunities—which are being created in Mexican society—and the formation of blocs with the North, namely the United States. This is really important to me. So are the direct aid programs such as the San Jose Pact, which has prevented the Central American region from running out of petroleum; access to credit lines; and the bilateral unequal treaties signed with Mexico. The future outlook of the world brings us closer to Mexico and the formation of economic blocs. In this regard, the Mexican experience will enable that country to provide us with assistance so that we can overcome the short-term crises.

[Ibarra] Would you favor the signing of a free trade agreement between Central America and Mexico?

[Callejas] Undoubtedly. This would logically have to be under conditions of inequality. We, in the short-term,

cannot believe that we would be able—given the weakness of our economies and our systems—to match Mexico. Mexico does recognize this fact. Under these conditions, my answer is a sounding yes. I am more than willing... [changes thought] I am aware that this is a historical and far-reaching step which carries an exceptional opportunity for the Central American region and my country.

[Ibarra] What about the formation of a free trade area which will include the United States?

[Callejas] My answer is the same. I am a firm believer in integration. I believe that the economic blocs will be the reality of the future. We are logically talking about the integration of the largest country in the world [as heard] and very small countries. The differences are so big that it would be illogical to think that we can join an economic bloc under conditions of equality. This will enable us to obtain an advantageous position in time.

The fact that Central America is moving toward establishing a common tariff system in 1992 is important. In Honduras' case, we have signed bilateral treaties with the region that we are promoting so that Honduras can reenter the Central American free trade system. We want to give the Central American region a new image to turn it into a competitive free trade area, where the countries' economies supplement each other. Central Americans should be competitive and work together. Mexico allows us to be competitive; logically, the idea of a market formed by Central America, Mexico, Canada, and the United States opens promising perspectives for the next generation.

[Ibarra] President Cristiani said yesterday that before one starts running, one must learn to walk. He said this process should be gradual. How do you think this process should take place?

[Callejas] I agree somewhat with President Cristiani. We must act slowly toward Central American integration with other countries, but we must act swiftly to consolidate Central America integration. Central America must show its integrationist willingness in the short-term. The faster we establish common tariffs, fiscal policies, monetary policies, food security suppemental programs, and similar infrastructure policies in Central America, the sooner we will be ready to learn how to participate in the international market and the foreign sector and be able to effectively compete in a free trade area with Mexico and the United States.

First, we should logically focus on the integration of the Central American region. With the Puntarenas resolution, we have a real opportunity to create a strong free trade area in the Central American region.

[Ibarra] In the face of the U.S. Enterprise for the Americas Initiative, what is your government's proposal and [words indistinct]?

[Callejas] We think this is a very interesting topic. Honduras has signed the first agreement to make possible such a treaty as well as a free trade area with the United States. You must remember that our country is included in the Caribbean Basin Initiative, which has similar aspects to those of a free trade area. The Caribbean Basin Initiative does not go as far as establishing a free trade area, but it has similar implications. In this regard, we view the Enterprise for the Americas Initiative, together with the Central American market and the relations with Mexico, as a very positive economic and social alternative for the Central American region. This will be the case, particularly, because the transfer of technology and resources from the United States to Central America and Honduras will be much greater within the framework of the Enterprise for the Americas Initiative.

[Ibarra] In that case would Mexico be acting as a bridge?

[Callejas] No. Mexico has its own vitality, economy, and society. We must have a different strategy towards the United States. We regard Mexico as a big partner and as a fellow traveller in our process of changing society, not as a bridge toward the United States.

Our view of our association with Mexico, is strictly with Mexico. Our view of our association with the United States, is strictly with the United States. When the conditions are right, we will be able to talk of a free trade zone with the North. Perhaps Mexico would be the path to attain that, but right now we do not regard Mexico as a bridge, but rather as a partner.

[Ibarra] [Question indistinct]?

[Callejas] We will have to discuss that topic. We must be practial, however. We Central Americans look up to the North. We have relations with the North. We have opened and strengthened ties in the south with Venezuela, Colombia, and even with the tip of the southern cone. Right now, however, I do not believe we could increase our trade relations south of Venezuela. We must be pragmatic. We must realize what we have on hand, and from there seek other alternatives for Central America. Logically, Mexico is an economic power and therefore can deal with the Southern Cone countries differently than with the Central American countries. The United States makes up about 50 percent of our market. It would be illogical to try to change the direction of our trade and economic relations. We must strengthen ties with the southern cone, but to be able to do that, we must first strengthen ties with the North.

[Ibarra] What are your priorities?

[Callejas] Peace, integration, and the strengthening of political and democratic relations in Central America. For me, however, the most important is peace in Central America.

Nicaragua

Soviet Arms Shipment in Corinto Described

PA0901220691 Managua LA PRENSA in Spanish 8 Jan 91 p 1

[Report by Maria Elena Palacios]

[Text] Corinto—A set of armored vehicles in the port of Corinto have shocked local residents, who are asking themselves, "If there is no war in the country, why is this type of shipment still arriving?"

A combat vehicle known as BTR with a built-in machine gun of 14.5 [as published] with a range of 2,500 meters, two model-131 Zhil trucks with radar equipment and another with communication equipment, as well as a Soviet-made electric plant are being stored in the port's warehouses.

Information on when the vehicles arrived at port could not be obtained. Nearby residents said, however, that the vehicles may have arrived on 27 December, when the last ship of the year, No.r 264, arrived at port with the name of Soviet Steamship Nikolai Turpin.

Even though no information was available on the final destination of the military equipment, a label on the combat vehicle read: "Economic assistance for Mr. Mauricio Cuadra," followed by a code.

A young port worker, who did not give his name, said the equipment could have been unloaded from the last Soviet ship in the early hours of the morning "because I saw them during the day in early January."

As for the label on the combat vehicle, he said that during the Sandinist regime, "all military equipment that entered the country was codified as economic assistance," but he said he did not know the person mentioned on the label.

EPS Issues 'Communique' on Missile Scandal

PA1001005391 Managua LA PRENSA in Spanish 7 Jan 91 p 7

["Communique No. 2" issued by the EPS (Sandinist People's Army) General Command Public Relations Directorate in Managua on 4 January]

[Text] Due to public statements by the military personnel arrested and charged with removing and illegally trafficking EPS weaponry, the EPS Command and General Staff clarifies that:

1. For no reason or under no circumstances is it honest or moral to take action behind the backs of the military institution, its command, and comrades in arms to illegally remove weapons from the Army's inventory to supply any guerrilla movement, no matter how just their struggle may be considered.

2. Since the time of the Sandinist government, it has been clearly stated that revolutionary solidarity should be supported through serious efforts in political and diplomatic negotiations, such as those in Esquipulas and others, and that approval was never given for any member of the Army to arbitrarily express the "solidarity" which, from an immature point of view, should supposedly be demonstrated.

3. The EPS consists of genuine revolutionaries and soldiers with principles, who within the framework of the Nicaraguan Constitution and laws promote the institutional and professional process within the EPS, which strengthens peace in Nicaragua and Central America. It is not comprised of this small group of officers, who, blinded by their political emotions and guided by extremist arguments, damage their military honor and bring into doubt their loyalty to the institution and its command. Their action is tantamount to dishonoring the sacred patriotic and revolutionary interests of Nicaragua, which today continues its efforts to consolidate the peace and stability necessary to reactivate the economy and justly satisfy the most urgent needs of our humble and hard-working people.

4. The EPS is completely certain of the patriotic and revolutionary conviction of each of its members, which will make it possible to strengthen the discipline, professionalism, and integrity within our military institution. In the same manner, the EPS is convinced that its members will reject any arms trafficking proposal that may eventually be made by movements or individuals, as such steps far from helping their cause, hinder the process to resolve conflicts.

Issued in Managua on 4 January 1991

EPS General Command Public Relations Directorate

Dreyfus Defends Humberto Ortega in Missile Case

PA1001014991 Paris AFP in Spanish 0017 GMT 10 Jan 91

[Text] Managua, 9 Jan (AFP)—Nicaraguan Foreign Minister Enrique Dreyfus said today that General Humberto Ortega and his staff were not aware of the missile deals between a group of Sandinist Army officers and the Salvadoran guerrillas.

Dreyfus told a news conference that the Farabundo Marti National Liberation Front (FMLN) guerrillas "abused the hospitality and humanitarianism of President Violeta Chamorro and her government" by trafficking with the armaments that were supplied by the Soviet Union to Nicaragua in 1986.

The Sandinist Army admitted on 1 January that a group of officers, who were acting on their own, turned over to the Salvadoran guerrillas large shipments of weapons, including SAM-7 surface to air missiles.

Former Major Odel Ortega—accused of being responsible for the arms shipment—admitted the charges and said that he had dealt directly with FMLN guerrilla leader Joaquin Villalobos.

In this regard, Dreyfus reiterated that Villalobos will be arrested if he is found in Nicaragua so that he can answer questions about the purchase of the missiles and other weapons.

The case of the missiles unleashed a strong controversy in Nicaragua when Vice President Virgilio Godoy and the rightist sectors of the Chamorro government demanded Humberto Ortega's resignation, charging that he was "ultimately" responsible for the sale of the weapons.

Although Foreign Minister Dreyfus had initially supported Vice President Godoy's position, the minister today said he is convinced that Gen. Ortega and his staff have nothing to do with this case which, he said, "noticeably harms the Army's image."

Dreyfus said the USSR is "concerned" about the fact that some weapons that had been delivered to the Sandinist Army during the war against the contras have ended up in the hands of guerrilla groups.

The foreign minister warned that because of this, "we are going to bring order to the situation of not only the Salvadorans but all the foreigners who are in the country, because a decree exists which prevents nonnationals from undertaking political activity."

Alfredo Cesar Wins National Assembly Presidency

PA1001005191 Managua Radio Corporacion in Spanish 2300 GMT 9 Jan 91

[Text] The slate proposed by the so-called Las Palmas group of legislators won the key posts in the National Assembly leadership this afternoon. Alfredo Cesar Aguirre, who was nominated by Social Democratic Party legislator Adolfo Jarquin Ortel, was elected president. Cesar defeated Miriam Arguello.

Luis Sanchez Sancho, who was nominated by Alejandro Solorzano, was elected first vice president of the assembly. He defeated Roberto Blandon. Reinaldo Antonio Tefel was chosen second vice president. He was nominated by fellow Sandinist National Liberation Front legislator Domingo Sanchez Salgado. He did not face an opponent.

After Azucena Ferrey was nominated by Luis Humberto Guzman for the post of third vice president, there was an avalanche of speeches, most criticizing the candidate. The group of legislators led by Dr. Miriam Arguello realized that there was an open understanding between the Sandinist Front and the Las Palmas group. Some of the people who attended the historic session indicated that it had been a vote between democracy and nepotism, represented by Alfredo Cesar Aguirre.

Chamorro Optimistic About Mexico Summit

PA1001021491 Managua Domestic Service in Spanish 1815 GMT 8 Jan 91

[Report on telephone interview with President Violeta Chamorro in Nicaragua by Jacobo Zabludovsky of the Mexican television program "24 Horas"; date not given—recorded]

[Text] In a telephone interview with Jacobo Zabludovsky on his "24 Horas" television program, President Chamorro said that she agrees that a free trade treatment should take effect as soon as possible.

[Zabludovsky] I would like to ask what you expect from the summit meeting scheduled for 10-11 January in Chiapas?

[Chamorro] I believe this meeting will be very good for Nicaragua, because when your president invites us, it is for something good, never for anything bad. I am very thankful, and I will be delighted to attend the meeting. I hope that ties between the people and presidents of Mexico and Nicaragua will be strengthened.

[Zabludovsky] Do you believe that conditions are ripe for starting a free trade agreement among the countries in the region?

[Chamorro] As far I am concerned, in Nicaragua the conditions are ripe. I hope this free trade agreement will be reached as soon as possible with all Central American countries. Nicaragua's doors are open.

[Zabludovsky] I understand that you still have some serious economic problems, like inflation. Could you tell us about it?

[Chamorro] How could I not have economic problems in my country. We received a tremendous inheritance. That is one of the things that I am also going to discuss with the president of Mexico, this enormous debt that we have. However, I believe that all these problems will be overcome and resolved. If there are no talks, problems will not be resolved.

[Zabludovsky] Does that mean that during the 10-11 January meetings you will ask Mexico for a more favorable payment schedule?

[Chamorro] Of course. There is the matter of oil purchases. Last time I told the Mexican President that I would like to.... [changes thought] No, I better not say it now, perhaps later. I hope that the arrangement with Mexico will be like that with Venezuela.

[Zabludovsky] How is the deal with Venezuela?

[Chamoro] Beg your pardon.

[Zabludovsky] How was the debt with Venezuela settled?

[Chamorro] Venezuela gave us very favorable terms. I believe that some great-grandson of ours will finish paying that debt. It will extend something like 40 years.

[Zabludovsky] You would like President Salinas' great grandson to collect from President Chamorro's great grandson?

[Chamorro] [laughs] No. They will collect from the Nicaraguan people. Really the inheritance that we have received is very burdensome. Right now we cannot pay the debt, and I believe that the talks we are going to hold in Mexico will be very favorable and positive.

[Zabludovsky] Do you have any concrete proposal?

[Chamorro] I am seeking a solution for our problems from friendly countries like Mexico who want to help Nicaragua.

[Zabludovsky] Would you like to add anything?

[Chamorro] I thank President Salinas very much. I cannot go with the other Central American presidents, so he is sending a special plane. I cannot go because it is the 10th anniversary of my husband's murder and I have to attend a mass. I believe we will all be flying together to Tuxtla.

[Zabludovsky] Thank you.

Panama

Endara Cites Need for Intelligence System

PA0901221491 Panama City CRITICA LIBRE in Spanish 8 Jan 91 pp 47, 31

[Report by Arnulfo Mendoza]

[Text] President Guillermo Endara Galimany has said that "it is inconceivable for a modern country, unless led by an idiot, not to have an intelligence system."

Endara's remarks were made during his visit on 7 January to the Pan American Publishing House, where the newspapers CRITICA LIBRE and EL PANAMA AMERICA are published. He also said that an intelligence system means, in the modern sense, no torture and no meddling in people's private lives, but simply gathering the information needed to govern. This is a necessity in a modern country.

Consequently, Endara added "the model we will adopt could be either like the previous one or the model most Central American countries have, which is the intelligence system as part of the military." [sentence as published]

"We could have the intelligence system as part of the Public Force, but we do not favor that idea. In February, we unanimously decided at a cabinet meeting that the intelligence system should be under the president's responsibility, as in many democratic countries that need an intelligence system," Guillermo Endara stressed.

Concerning the situation between the Legislative Assembly and the executive branch, the Panamanian president said that the gossip cooled in Cermeno through agreements, but that both branches will remain apart and independent and agree to work with greater coordination.

Endara, when asked about the summons of the presidency minister by the Legislative Assembly's ad hoc commission following the creation of the intelligence system, Endara stated that the commission has the right to summon the minister. Regrettably, the intelligence system is not under the minister's control, but under the president's control, and according to the Constitution, the president cannot be summoned, nor would I allow it, President Endara said.

On the topic of the presidential summit to be held in Mexico, the president said: "I understand that Mexico was going to propose certain economic aid and development plans for Central America, but I do not believe much will come of it," concluded Endara.

Linares Denies U.S. Pressure on MLAA

PA0901182391 Panama City Circuito RPC Television in Spanish 2300 GMT 8 Jan 91

[Text] Foreign Minister Julio Linares described as false the idea that the U.S. congressmen's visit to Panama is a method of pressure to get Panama to sign the Mutual Legal Assistance Agreement [MLAA].

[Begin Linares recording] Obviously, the visiting congressmen, including Mr. Rangel who headed the delegation, are members of the Select Committee on Narcotics Abuse and Control. Because of this, their main concern, within the framework of our relations with the United States, has to do with topics on drugs, and obviously the MLAA is connected to this. Their visit served us well, not only because it gave us the opportunity to hear what their concerns are, but it also allowed the U.S. congressmen to hear what our problems and concerns are.

The truth is that many U.S. congressmen are not properly informed and believe that the delay in signing this treaty is due to the fact that the Panamanian Government—in fact, more than the government, the Panama bankers—is opposed to a treaty having concerning drugs and money laundering, when in fact this is not so. As I told Congressmen Rangel and the congressmen accompanying him to the Foreign Ministry yesterday, if the treaty were limited to drug trafficking and money laundering, there would be no problem and we would sign it today. The problem is that the treaty covers other crimes that are very delicate issues for us Panamanians. [end recording]

Asvat 'Unaware' of Plot Against Attorney General

PA1001035591 Panama City EL PERIODICO in Spanish 9 Jan 91 p 11

[Text] National Police Director Ebrahim Asvat has stated that he was unaware of reports of a plot against Attorney General Rogelio Cruz.

Asvat said that he was never informed of this alleged plot and that he learned about it through the media.

The National Police run an information service that collects a series of data and it also operates as an intelligence organization.

This department is headed by Major Miguel Nieto, who was recently promoted, and it has a staff that consists of academy officers.

As for the plot, it was learned that the information emerged from the Office of Intelligence and Security run out of the Presidency. Information on the alleged plot was obtained by tracing telephone calls. It is not yet clear, however, if the telephones were tapped.

Legislator Comments on National Security Council

PA1001030591 Panama City LA PRENSA in Spanish 9 Jan 91 p 1

[Report by Vilma E. Figueroa B.]

[Text] Legislator Gloria Moreno de Lopez has stated that the documents that have been received by the Legislative Assembly ad hoc commission indicate that the Council for Public Security and National Defense [Conasepuden], which operates out of the Presidency, does not conform to the cabinet decree that gave rise to its inception.

Moreno stressed that she cannot yet disclose specific details in which the Conasepuden exceeds its functions, because the commission has not yet met. However, she said that the commission will have to investigate the "things that are being done," because they do not conform to the functions, as established by the cabinet decree, of the Conasepuden in Panama.

Moreno, president of the ad hoc commission, reported that the documents that have been received will be verified and presented to the commission members on 10 January.

Gloria Moreno urged those who may have any documents which reveal that the Conasepuden has received some form of war materiel from other countries or from Panama to present them before the commission so that it can evaluate and investigate them.

The Conasepuden was created by Cabinet Decree No. 38 and, according to Legislator Moreno, paragraph 16 refers to the formation of a "National Security Council" which will operate with some advisers—the two vice presidents of the republic, the foreign relations minister, and an executive secretary.

Casinos Scandal Linked to Political Quarrels

PA0901193891 Panama City LA ESTRELLA DE PANAMA in Spanish 9 Jan 91 pp 1, A-2

[Report by James Aparicio]

[Excerpt] A Comptroller General's Office report has revealed that Juliano Internacional Limited received 101,786 balboas in payment and issued bad checks for up to 936,340 balboas.

The document, to which LA ESTRELLA DE PANAMA had access, indicates that Juliano Internacional Limited, whose president is current National Railroad Manager Roberto Moreno, was paid 2.38 million balboas between 1984 and 1989, in addition to commissions.

Juliano Internacional Limited used to lease slot machines to the national casinos and charged a 37-percent commission.

The Comptroller General's Office canceled the contract with Juliano Internacional and announced that it will put the slot machine concession up for bids. This announcement was made amid unofficial reports on quarrels between the economic groups linked to Molirena [Nationalist Liberal Republican Movement] and to the Arnulfist Party. The quarrels have been caused by the groups' desire to control the slot machine market. [passage omitted]

Argentina

U.S. Expresses Concern Over 'Corruption' by Firms

Dispute Involves Swift-Armour

PY0901143891 Madrid EFE in Spanish 1232 GMT 9 Jan 91

[Text] Buenos Aires, 9 Jan (EFE)—According to the daily CLARIN of Buenos Aires, the U.S. Government has conveyed its 'concern' to Argentine authorities over alleged cases of corruption involving U.S. firms and local officials.

The daily says that U.S. Ambassador to Argentina Terence Todman has spoken about cases of corruption at least five times with Foreign Minister Domingo Cavallo.

The daily also reports that "the White House is greatly concerned about the Argentine Government's unexplained delays in answering U.S. companies' routine procedural queries."

The report states that, during his visit to Argentina last 5 December, U.S. President George Bush "made a personal request" to his Argentine colleague President Carlos Menem.

According to the article, Todman has given Argentine officials "a long list" of U.S. companies that have "difficulties" in obtaining tax exemptions in exchange of investments in Argentina.

After the scandal unleashed around the Swift-Armour company, as published in the newspaper PAGINA 12, President Menem last night ordered the Interior Ministry to investigate alleged cases of corruption.

The Swift-Armour company, established in Argentina since 1907, is the largest exporter of frozen and canned meat and the second largest land owner in Argentina.

The report published in today's edition of PAGINA 12 mentions the name of presidential aide Emir Yoma, brother of Zulema Yoma, President Menem's former wife.

According to the newspaper, Emir Yoma removed from the Economy Ministry the file of the Swift-Armour company which was requesting a subsidy in exchange of a $100 million investment to build a canned beef plant, the main activity of the U.S. company.

"The information contained in that file was used by an Argentine Government official to request economic aid from the U.S. company," the newspaper states.

Emir Yoma said that the newspaper has "committed despicable" slander and that he will take the case to court.

Last 7 January, President Menem ordered the suspension for 120 days of all the trials against the government, given the alleged corruption of judges, official defense lawyers, and public employees in the defense of government interests.

Menem Charges 'Smear Campaign'

PY1001000691 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2341 GMT 9 Jan 91

[Text] Buenos Aires, 9 Jan (NA)—President Carlos Menem tonight flatly denied that an Argentine official had tried to extract a bribe from the U.S. company Swift-Armour, and he said he will ask U.S. Ambassador Terence Todman for an explanation.

During an impromptu news conference at Government House, Menem emphasized that "there is a smear campaign being carried out against the government." The chief of state said that the report published in some newspapers about the attempt to extract a bribe "is something that affects me closely," referring to Emir Yoma, a presidential adviser and his wife's brother.

Menem promised that the government will go to court against those who promoted the report.

Decree Delays Lawsuits Against Government

PY0901171691 Buenos Aires BUENOS AIRES HERALD in English 8 Jan 91 p 11

[Text] (NA-DYN)—Justice Undersecretary Cesar Arias confirmed yesterday that President Carlos Menem had signed an emergency judicial decree suspending all lawsuits against the state for 120 days.

Legal and Technical Secretary Raul Granillo Ocampo in turn explained that the government would investigate the thousands of lawsuits filed against state companies in the last few years which have allegedly made the government lose hundreds of millions of dollars.

Arias stated that the emergency decree meant that payments of damages and wage demands had been temporarily suspended and that the government was still deciding on measures to investigate the thousands of allegedly irregular lawsuits.

Granillo Ocampo admitted that the "judicial emergency" had been declared after it was discovered that many lawsuits filed against the state were illegally carried out with the alleged connivance of judges and lawyers employed by state companies.

The legal and technical secretary said the main aim of the emergency decree was to avoid further state losses from bogus claims which were currently being tried.

"We will implement a better system of control and management to avoid repetition of these grievous maneuvers," said Granillo Ocampo. He said all state defence lawyers and judges would have to account for their involvement in all lawsuits over the last five years. "Once we have determined the scope of the problem, we will then investigate each lawsuit, one by one," said

Granillo Ocampo. Estimates for the number of irregular lawsuits range from 5,000 to 200,000.

* Menem's Leadership Style, Political Future Noted

91SM0133A Buenos Aires CLARIN in Spanish
25 Nov 90 pp 14-15

[Ricardo Kirschbaum commentary: "A Very Personal Style"]

[Text] When one of the members of his praetorian guard is in trouble, the president always gives him a second chance. Even in the cases in which the administration is involved, Menem is especially kind to those who have professed their loyalty or are useful to him in playing a given role in his cast.

If they keep making mistakes, he abandons them gradually, without their even being able to protest their loss of support, until their fall is a natural consequence. It happens when they have played out their assigned role.

This is the style that Menem has followed during the almost 17 months of his administration. This is why the president saved labor leader Luis Barrionuevo's skin even though people lined up in the Casa Rosada to advise him to remove Barrionuevo as manager of social benefits.

He could have made a political decision to set an example and dispel people's impression that corruption is commonplace in political, administrative, or union practice. Instead, he chose to put some distance between himself and the controversial leader, thus causing him to disappear temporarily from the official scene and playing on the desperate yearning of certain figures to always be at center stage.

In short, the men and women who belong to the ruling-party court realize that the power they possess stems solely from their relationship with the chief, as they call the president in private.

Barrionuevo's description of how some labor leaders have made money has prompted reactions but not caused a political scandal. Many have preferred the opposite method. The guilty party is not the one who makes the statements but rather those who echo them, an odd tendency that often characterizes politicians when they are in government. It happened to the Radicals, and now it is the Peronists' turn.

But conduct that is regarded as normal at decision-making levels turns out to be comprehensible, in fact, if we compare it to another phenomenon that is also very well developed: there was a reaction because he just said it, not because of what he said. In other words, what is being criticized is the labor leader's loose tongue rather than the content of his remarks.

Barrionuevo did not retreat as he continued his statements. He added a new element for analyzing the conduct that the leadership strata are following by charging that they are trying to kill the messenger who brings bad news, because this is a more economical solution than attacking the conditions that he is describing.

Oddly enough, most of the reprisals against the head of ANSSAL [National Health Insurance Administration] (that is to say, the man who is in charge today of union social benefits) have been discreet and cautious, as if no one wanted to risk getting suddenly out of line.

A faction of pro-Menem organized labor submitted its complaint to Alberto Kohan so that the social action minister could suggest to Menem that Barrionuevo be replaced in ANSSAL. The organization that is currently being overseen by the leader of the restaurant workers union is supposed to be completely normalized within 20 days, with a board of directors consisting of delegates from trade-union organizations.

Barrionuevo picked a bad time to speak out. Lorenzo Miguel, the metalworkers leader who left the Ubaldini CGT [General Confederation of Workers] and is building a new relationship with the president, caught on right away. The UOM [Metalworkers Union] is one of the union organizations that most need government backing to straighten out its social benefits. He thus preferred to stand by Barrionuevo's lukewarm clarification than to jeopardize a place for one of his men on the ANSSAL board.

The UOM leader chose not to mention his disagreements with the hard-core Menem backer because there is a prior and more important issue. Inasmuch as the union model has been weakened, labor leaders are closing ranks to prevent the union bosses from being portrayed as laughingstocks.

Barrionuevo clung to this life belt and kept on defending the labor leaders, seeking corporativist protection.

Political Wear and Tear

Political wear and tear began to take its toll, however. Even his candidate for governor of Buenos Aires, Carlos Brown, is looking to distance himself so as not to remain too exposed. The mayor of San Martin may move to one side, but not too far. His candidacy cannot divorce itself from the sponsorship of Barrionuevo, his main booster.

More serious for the restaurant union leader, and for Brown, are the president's increasingly intense efforts to convince Duhalde to run for governor of Buenos Aires. The vice president keeps on postponing the decision, but after the rally in La Matanza (which brought together 45,000 persons) he seems to be a sure thing. Nonetheless, he is demanding the right to decide the timing of his political decisions, realizing as he does that the Casa Rosada is pressuring him to make up his mind.

The "celestes" (Eduardo Menem, Bauza, Manzano, and Dromi) are enthusiastically pushing Duhalde's candidacy. The fact that he is vice president is a major factor in their efforts. If Duhalde becomes governor of Buenos

Aires Province, the president pro tempore of the Senate, Senator Menem, stands second in line in the presidential succession.

Second, Duhalde has prospects of running for the Casa Rosada in 1995 if Menem does not succeed in reforming the constitution and providing for the possibility of reelection. This issue is central to the president's strategy. People in the Casa Rosada say that the reform is now or never. But they do not explain how they will get Congress to pass the bill if they do not manage to overcome the Radical Party's reluctance.

They have direct information from Eduardo Angeloz after a conversation that Carlos Corach, the undersecretary general of the presidency, had with the Cordoba governor. The two were in London for different reasons and met at the reception that Ambassador Mario Campora gave for the former Radical Party candidate.

After their conversation the administration took note of how Angeloz' position is shifting. The criticisms that the Radical leader voiced of several moves by the Menem administration (above all the ones that the UCR [Radical Civic Union] regards as a threat to the rule of law) are the same ones that Raul Alfonsin formulated when he announced that the Radicals were calling off the negotiations on reform.

Perhaps the clearest message that the Cordoba governor sent was that he would not break with his party and that his dissent did not represent an alternative channel for negotiating a reform, which he opposes.

But they explained to the president that in spite of Radical opposition, the number of legislators needed to pass a constitutional reform could be secured. Raul Granillo Ocampo, the legal and technical secretary of the presidency, is the source of this hypothesis. His reasoning is obviously weak. Given the current makeup of the Chamber of Deputies, even an alliance with all of the provincial parties and with MAS [Movement Toward Socialism], which is calling for a Constitutional Assembly for a reason quite different from reelection, would not represent the necessary two-thirds vote. Moreover, this possibility is based on the assumption that the ruling-party bloc would vote unanimously, something that not even the most misguided analyst would assert.

These difficulties are prompting two kinds of reactions:

1) Those who intend to keep pressing Menem to be more flexible and to accept a minister coordinator. They feel that this arrangement could convince the Radicals to support the administration bill. Eduardo Menem in particular is behind this approach. According to this faction, the chances of achieving a favorable result with this Chamber of Deputies are nonexistent unless there is an accord with the Radicals. Although the president has said repeatedly that he will not allow presidential functions to be trimmed, the insistence on a minister coordinator will be based on according him a limited role. They have an almost insoluble problem. To lure the Radicals they need to offer a semi-parliamentary system in which the minister coordinator is almost the head of government. On the other hand, to convince Menem they have to find an arrangement in which the minister coordinator is mere window-dressing for presidential power.

2) Those who contend that Menem has to wait for the 1991 election returns and then decide on his tactics, depending on the makeup of the Chamber of Deputies, half of which will be up for election next year. They propose beginning negotiations with the provincial forces that have the best chance of victory, giving up the gubernatorial nomination in exchange for a larger presence for the Menem faction on the legislative slates.

Will Cavallo Accept?

This week an emissary from the president will be speaking with Domingo Cavallo to encourage him to run for governor of Cordoba. The foreign minister, who in recent days had several nasty shocks over the handling of the fisheries negotiations with the British, is wont to say that in the event that he accepts the nomination in his province, he will refuse to run in a primary election.

"I am from outside the party," the minister asserts, speaking nothing but the truth. It so happens that Cavallo is not a political leader who has emerged from the party forge, nor has he developed his reflexes by dint of individual practice. He is an economist who has served as a deputy, thanks to an accord with De la Sota, and who arrived unexpectedly in the Foreign Ministry.

This position gave him national stature, which he does not want to exchange for a nomination battle in his own province. The nomination has to be offered to him, and at the same time he requires guarantees that he will remain minister during the campaign.

Menem will have to bear this general context in mind in making his next moves, thus preventing the wear and tear on his own men from hurting him.

Barrionuevo's role was to force the breakup of the CGT, and he enjoyed annoying the Azopardo dissidents. This goal has almost been achieved. Ubaldini will have to fight to prevent further desertions from his ranks. There is now talk that Juan Manuel Palacios, from the UTA [Motor Transport Workers Union], who is replacing metalworkers leader Hugo Curto as the assistant secretary general of the CGT, could be the next labor leader to leave Ubaldini's group.

The restaurant union leader will have to content himself with having completed his term and may be looking for a good lawyer, as the president suggested to him.

* Menem's Reelection, Duhalde's Future Assessed

91SM0134A Buenos Aires LA PRENSA in Spanish
25 Nov 90 p 78

[Sergio Crivelli commentary: "Succeeding Menem"]

[Text] Believe it or not, the first moves have already begun towards choosing a successor to Carlos Menem. Though hardly perceptible at first, they are now unmistakable. Although it is true that the man from La Rioja has not yet completed his first year in office (he will do so on 10 December [1990]), a series of factors have come together in recent days and have dictated some early position-taking.

There are, in short, three such factors: the impossibility of reforming the Constitution, the political implications of next year's elections, and the obvious strengthening of our economic stability. In the case of reform, the die seems cast. The Peronists do not have the required two-thirds in the Chamber of Deputies to declare reform necessary, and the Radical Civic Union (UCR) has decided not to support them. It is also highly unlikely that after the 1991 elections Menem will have the 168 legislators he needs for this decisive vote.

The official reasons that the men of the UCR cite for blocking a reform have their foundation. Ever since the current administration arrived in the Casa Rosada, it has high-handedly encroached on the other branches and is far from offering guarantees in the area of constitutional reform. We need only remember that the administration has been systematically outflanking Congress for a year now, even going so far as to enacting taxes by decree, that it increased the number of Supreme Court justices to secure a supportive majority on the high court, and that it dismantled the Official Auditing Tribunal as a supervisory body by replacing four of its five members with one stroke of the pen.

But the Radicals' moves have not been prompted solely by the distrust that Peronism's revealing track record has fostered. Political speculation is not alien to their strategy, inasmuch as they know from experience that Menem needs to set a reform in motion during the early days of his term. It will soon be too late, as Raul Alfonsin found out when he saw that the people who had cozied up to his brand new administration in 1983 were already peering at the horizon just three years later in search of his successor. Hence their inflexible approach to negotiations, which aside from a discussion about a parliamentary or presidential system, carry a price that Carlos Menem cannot help but pay if he wants reform: an embrace that in political terms will rehabilitate the former president, his most bitter adversary these days.

Since for the time being he has no chance of insuring his continued presence in power beyond what the Constitution of 1953 provides, the course of the succession has become increasingly important to Menem and his circle. And here is where the second catalyst enters the scene: the candidacy of Eduardo Duhalde for governor of Buenos Aires, a topic that in recent days has prompted reports, contrary reports, clarifications, and denials.

If Menem cannot be reelected, the man from La Rioja will become the "big selector" of the Peronist candidate in 1995, unless Duhalde enters the fray on his own. And to achieve this objective the vice president needs to build a center of real power in the Province of Buenos Aires.

Duhalde-Sola?

Will Duhalde run for governor next year? The struggle inside Buenos Aires, Peronism's key district, and inside the administration has revolved around this question. The vice president still refuses to admit publicly that he will head up the Justicialist Party (PJ) slate next year, but people close to him acknowledge that the decision has practically been made. There is even talk of his running mate, which could be Felipe Sola if relations with the farmers are given priority, or national Deputy Damaso Larraburu from Bahia Blanca if he seeks to bolster relations with Cafiero factions.

What made Duhalde hesitate and what is now pushing him closer and closer to running for governor? The course of the austerity plan. The vice president knows that as governor he will depend on funds from the National Treasury and that the province of Buenos Aires could become his political grave, as happened to Antonio Cafiero. But if the economic plan manages to keep the most important variable, inflation, quiet, a victory for Peronism within 12 months is almost assured. In this regard, those who think that the harsh austerity plan could cause the Peronist administration irreparable damage have seen their hypotheses crumble under the weight of the most recent polls.

One in particular, the Lynch, Menendez, and Nivel poll, shows the president's popularity up significantly in November after he managed to bring inflation down to single digits. A theory that has been adequately confirmed in Argentina in recent years comes into play here: electoral battles are waged primarily on the field of inflation. Alfonsin won in 1985 thanks to the Austral plan with a stable dollar and very low inflation. In 1987 he lost when inflation hit double digits and lost again in 1989 on the threshold of the first hyperinflation. To a lesser extent the trend has been the same for Menem. In February of this year his rating fell to its lowest level because of the second hyperinflation, and he continued to have ups and downs inversely proportional to the inflation rate: when the rate is up, grassroots support for the administration declines.

As a result of this, the extremely severe recession fades into the background, as the administration attaches priority to the goal of stability. Society gives signs of endorsing this approach, at least initially, for two basic reasons: when the inflation rate drops, real wages rise, and at the same time a moderate recovery is encouraged, as was the case last month.

Will Erman V continue to attach priority to stability over a recovery and the updating of the exchange rate? Yes, at least until March, is the answer that the Economy Ministry is giving the increasingly worried businessmen who are calling for a realistically priced dollar. Those who are familiar with the inner workings of the economic team say, however, that the current monetary policy will extend beyond March, although for Duhalde the clock will strike then. If everything remains the same in the economy, he will no doubt enter the race for governor.

What are the vice president's chances of victory in Buenos Aires? Excellent, unless there is a foreign exchange debacle before the balloting. Accordingly, the ominous predictions that had previously been made for December have now been carried over to March. Duhalde has little to fear from the opposition, in contrast. Society seems to have decided that there is no alternative to the current economic model, and all those who have confronted the administration from any angle have lost, be it Alfonsin, Ubaldini, or Seineldin. In contrast, the leaders who are offering approaches similar to Menem's, even if they belong to an opposition party like the UCR (Eduardo Angeloz, Horacio Usandizaga) are building a broad consensus. In short, society is giving signs that it wants a more thorough Menem rather than his opposite.

* Menem's Military Policy, Related Issues Viewed

91SM0139D Buenos Aires LA PRENSA in Spanish 2 Dec 90 pp 1, 4

[Daniel Lupa report: "The Administration's Military Policy"]

[Text] A "memo" on political and economic issues, which starkly reveals some unexpected backstage maneuvering in the administration's political, military, and internal relations, and the summary of a "proposal of overall issues on the defense question," both documents originating in Defense Ministry circles (it is not known whether they are backed by the military proper), are among the papers that Dr. Menem has available in deciding his future military policy.

He will most likely decide on this policy in the first quarter of 1991, after the military commanders and chiefs who were imprisoned after having defeated subversion are released after long delays. Oddly enough, neither the "memo" nor the "proposal" makes reference to this point, although the proposal does mention the "reconciliation" of civilians and the military as a prelude to the drafting of the agenda that it offers.

The documents reportedly reached Menem's desk a couple of weeks ago but have been under study for less than 10 days, having prompted additional inquiries that will be important when he has to set the guidelines to be followed in this area.

The documents are significant even though they largely refer to short-term aspects of the bargaining that the privatization of military enterprises will necessarily involve.

The 'Orientation of the Armed Forces'

The "memo" starts by disclosing that "the fundamental issues that the Defense Ministry has addressed, from a political and strategic standpoint, have consisted mainly of guiding the leadership of the Armed Forces towards the general orientation of the national government; that is to say, incorporating them into the 'overall model' of the economic, strategic, and foreign policy that the president has explicitly indicated."

It asserts that the Defense Ministry has consequently been forced "to maintain the delicate balance entailed in the transition from Armed Forces that have played a leading role and have historically been the direct and indirect promoters of their own agenda (we do not know what the opinion of the military itself would be) to Armed Forces that are structured as a substantive part of a country that is opening up its economy, that is actively joining the developed world, and that is consequently transforming the structure of the State to make it compatible with the demands of competitiveness and efficiency."

The "memo" indicates that these points boil down to two issues: a) Restructuring the military, and b) Privatizations in the military area.

Privatizations and the 'Celestes' [more moderate Menem backers]

It begins with the second issue, noting that 25 enterprises will be involved and that "it is on this point that the political problems which could jeopardize the procedures and the transparency of privatization appear."

"So far," it continues, revealing the interpretation of the circle from which the document comes, "the policy of privatizations, as a substantive part of the model, was guided and executed by the 'celestes.' Through public biddings, direct awards, and debt capitalization, Minister Dromi gained political control of this process for himself and for the faction of the administration that he represents.

"But the start of the privatizations in the Defense Ministry means in one way or another that the axis must shift direction. The privatization process will now be handled by Minister Romero, given his relationship with the president through Emir Yoma and his objective proximity to the 'rojo-punzo' [Menem supporters from the beginning]."

To the writer of the "memo" it seems "obvious that owing to the political and economic interests at stake, the 'celestes' will not readily give up being 'the backbone of the Menem model.' The information available is that they have begun operations to weaken and erode

Defense's efforts, the ultimate objective being to place a man from the faction there and to regain the 'privatization leadership,' a matter about which there were reliable accounts in late October and early November.

A Campaign and a Meeting

"To this end," the memo adds, the 'celestes' "have developed a simple strategy: step up the incipient military crisis, even if among the top generals (to which end they have Bauza as their best ally), as a way of encouraging the dissident sectors to cause internal disturbances that will affect the Defense area." It says that the 'celestes' are employing a technique that is characteristic of judo in "using the strength that military nationalism is showing today to further their own objectives in the battle within the administration: to control the privatizations and to direct political accords with the Radical Party through a top echelon that is mostly on their side."

It asserts that "the 'celestes' are not convinced that a strategic alliance with the United States has so far yielded any benefits. Therefore, and with next year an election year, they are approaching the Radicals and trying to neutralize the men who support the model in the administration."

This paragraph was written some time before the incidents in the middle of this week. Is it suggesting, and explaining, that there are plans to damage the Menem administration's ties with the United States? If so, it would support the rumor, which Menem and Mera Figueroa (a 'rojo-punzo' if there ever was one) emphatically denied, that an attack has allegedly been planned on Bush's life.

Referring to the development of the aforementioned campaign, the document says that "it is being conducted on a strategic level by Manzano and Toma and was designed (during a meeting) in Deputy Manzano's house that was allegedly attended by Nosiglia himself, among others, precisely to hamper the start of the privatization process in the Defense area."

Since enterprises worth $180 million ($50 million payable in cash and $130 million in foreign-debt capitalization) are at stake in the stage prior to the passage of the law, "the successful Defense negotiations prompted Erman Gonzalez to support the process that is under way and, moreover, raised the military's expectations because the $50 million in question is earmarked to finance the military reform as of 1 January."

"The campaign," the memo says in conclusion, "aims at preventing the ministry from doing the books so as to thwart the Armed Forces reform at its outset, hamper the privatization process, and cause a crisis in Defense. Deputy Toma is the man for whom Manzano has reserved the place that Dr. Humberto Romero now occupies. The move against the Defense Ministry is not an isolated one; it is part of an overall 'celeste' agenda that is already under way. Manzano himself, having failed in his attempt to oust Pierri as president of the Chamber, aspires to a government secretariat (Public Function) and to replace Humberto Toledo with Pedro Garcia, his journalism agent. For his part, Mr Geraiges, Manzano's economic agent, is spearheading the campaign against privatizations in Defense," the "memo" asserts.

The 'Proposal' of 'Overall Issues'

The "proposal" in question is divided into four sections:

- a) "Pacification and reconciliation between civilian and military society";
- b) "Adapting the Armed Forces to the strategic model of the country proposed by President Menem";
- c) "Management of the Defense Ministry and the model," and
- d) "Specific actions taken by the Defense Ministry," followed by a list of them.

"Pacification" is described as "a wide-ranging project that includes sectors that have historically been at odds." "From the outset this policy towards the Armed Forces is thus different from the one that the Radical Party pursued (referring to the Alfonsin faction). Aggressions have ceased, as have systematic campaigns designed to isolate the military from society and to make them alone take the 'blame'" (it is forgetting programs on Channel 7 and Radio Municipal, though).

Other sections mention the decision to "reposition Argentina resolutely in the developed world," though this does not imply "automatic alignment with any power in particular." It acknowledges the "leadership of the United States in the hemisphere" without "third-way ambiguities" and provides a setting for "the administration's political moves that are expressed in all areas of official activity, Defense in particular."

As for economic policy, after recalling "the efforts at transformation and change," it refers to conditions in the Armed Forces, emphasizing that "the efforts that the administration is making to improve their wages, to overhaul their budget, and to give special consideration to their legitimate demands cannot be separated from the inevitable recognition that the Armed Forces are part of society and, consequently, contribute their share of patience to the stabilization plan."

In conclusion, it emphasizes the urgent need for an overhaul of the military based on the geographic redistribution of its units, training consistent with the times that will produce quality personnel at lower cost, etc. Concurrently, it mentions the no less urgent need to "privatize the industrial complex that comes under the area," asserting: "The political resistance that these actions arouse is obvious. The issue of privatizations will probably intensify the internal struggles for power, over the issue of who is ultimately the leader of the privatizations, who dominates the execution of the model. And within the Armed Forces as well there will be factions that do not agree with the direction of this change. We are talking with them, and our policy aims at easing

long-standing tensions and at preventing the divisions that we have inherited from disturbing our course."

* Poll Shows Support for Government Reform

91SM0134C Buenos Aires LA PRENSA in Spanish 26 Nov 90 p 4

[Text]

Support for Policy of Government Reform

The policy of government reform that the administration is pursuing has the public's support, according to the findings of a poll conducted in this capital among 200 persons over the age of 18.

The data that the Mora y Araujo, Noguera and Associates firm obtained from the survey it took from 17 to 19 November indicate that 64 percent of the respondents agree with government reform. Only 24 percent said they disagreed with the policy, while 12 percent preferred not to respond to the question.

According to the poll, 96 percent felt that government ought to be more efficient; 86 percent said that government spending ought to be cut; 85 percent came out in favor of opening up the economy more, and 82 percent felt that tax evasion must be prevented.

As for the privatizations, 70 percent of the respondents supported them, and 64 percent came out in favor of cutting the number of civil servants.

Moreover, the poll also showed that people reject the idea of boosting taxes, as only five percent backed this option.

The poll also posed this either/or question: dismiss many civil servants and put an end to inflation, or else keep all civil servants in their posts even if this means that inflation cannot be eliminated.

Of the 200 persons polled, 49 percent came out in favor of the first option, while 26 percent preferred to keep the workers in their jobs even though inflation would not be eliminated. Seven percent leaned towards other options, and eight percent did not answer.

* Underlying Causes of Social Mobilization Given

* New Leaders Sought

91SM0132B Buenos Aires SOMOS in Spanish 7 Nov 90 pp 9-10

[Jorge Grecco article: "Why People Are Protesting"]

[Text] Sociologist Oscar Landi unleashes a torrent of words: "Recycled forms of social leadership are reappearing because there is a major crisis in the political class. Every leader who sets himself himself up on a stage, no matter which one or at what level, who assumes responsibility for something, inevitably winds up 'executed.'"

"The exposure is terrible," he goes on to say, "and the mere fact of appearing before the mass media can damage them very easily because when someone talks or makes promises, the costs of a society that criticizes, that questions but that does not buy are taken on. People are seeking new proposals from politics, new leaders."

Fallen Leaders

Across a desk, Heriberto Muraro, another sociologist who along with Landi often works for Peronism, nods his assent and sums up the analysis: "I did several public-opinion surveys in the province of Buenos Aires, for example, and I identified the percentage of people who say that a political leader is 'very good' or 'good,' as well as the number of citizens who know that person. If the two pieces of information are placed on a curve, the result is always the same. There is a point at which a leader acquires a good image in society. He then keeps on working, stands out, makes headway, and becomes very well known. The process continues, and soon he occupies a major post in his local area as a mayor or a provincial or national deputy. From that point on, everything is downhill. The real world wears him down, and it takes him a long time to get back to an optimum level."

The new forms of rebellion that are criss-crossing Argentina have in recent days become a trend that local professionals find worthy of study. To the astonishment of some and the resignation of others, this brand new phenomenon is the driving force behind most low- or high-level political dialogues. The "old" structure seems to be breaking up, and the issue touches everyone.

According to Muraro, democracy "entails transparency, clarification, and the opening up of certain settings. Argentine society has moved from the democratic discourse of the Alfonsin era to this exercise of demands for demands sake, as a result of its own learning process. The two things intersect, and soon provincial structures that are based on family trees fall. Catamarca, for example, joined this opening-up process belatedly and is now suffering the consequences."

No Political Dividends

Marcela Guilligan, who has a degree in political science and is director of Mora and Araujo, a classical-liberal research firm, says that "people" do not feel that they have the backing of the police, the courts, Congress, or the governors and are thus "taking things into their hands and making demands."

"There is a very important factor to be borne in mind: people can protest. No one is reaping political dividends, because they are to be found at different levels, although if leaders are able to read the messages (so far they have shown themselves to be quite blind), they may secure a favorable bottom line. As for what is expected, the signs are clear. People want "someone who gets things done," who is not tied to partisan formulas, and above all who can solve problems. Also, of course, all of this has to be

done within the democratic system, because there is no room for any other," Guilligan comments.

[SOMOS] What tools do politicians have to prevent these movements from eating them up?

[Landi] If you are talking about emerging, there is a historical constant in Argentina that has grown stronger in recent years: you have to do it from outside the playing field. The outsiders are the ones who win in our country. Irigoyen, Peron, Alfonsin, Menem.... All of them come from outside the system. Alfonsin, for example, went from being a minority within his own party to being president of the nation. Who is next on the list in all this? Well, I do not think that we can tell at the macro, the national level. Next year, given the new provincial realities, there will be a new scenario from which a new political landscape will emerge.

[SOMOS] But, for example, there is the Tres Arroyos incident. Cafiero arrived shortly after the incident and promised to seek answers. People booed him inconsiderately...

[Landi] From a technical standpoint, if I were a political cynic, I would say that it was a mistake for him to have gone. A political image-maker, a public relations man, would have told Cafiero: "Your mistake was to go there; you had nothing to hope for, nothing to gain."

"These provincial movements are obviously chaotic, unorganized, and have no common meaning. It is extremely difficult to find a least common denominator and a highest common factor. What there is deep down is a rejection of talking out, and it is not without reason that people reply with silence," remarks Muraro.

The New Players

In spite of this silent response, new players are emerging to organize and lead the grassroots marches. By and large, no one is a standout in heading up these marches because the "camouflaging" of the so-called rank and file and the potential leadership is almost total.

"People are looking for leaders with whom they have had contact for some time. That person's past does not matter so much if, on the other hand, he is seen as somewhat independent from the central authorities. He must possess some degree of honesty and behave in a way that enables people to assume that at some point the actions that he will pursue can be controlled, that he is not going to become totally independent. People buy this type of phenomenon," Landi says in conclusion.

The polls have been pointing this out for quite some time. Most people are critical of politicians but, at the same time, support the system. The new movements embody this trend in the streets. Some just need to take the hint.

* Despair Noted

91SM0132B Buenos Aires SOMOS in Spanish 7 Nov 90 p 10

[Enrique Zuleta Puceiro commentary: "Society's Hour"]

[Text] Once again we Argentines are running the risk of making our experiences absolutes and believing that we are living through completely unique times, when the fact is that we are reproducing, thanks to our own peculiar traits, a cycle that is largely common to most democratic societies. Society's return to the center of the political spectrum has been evidenced the length and breadth of the country in episodes ranging from the Buenos Aires plebiscite to the rejection of the pardons or the provincial mobilizations. This is how the pendulum swings in societies such as ours, as periods of openness and intense public commitment alternate with periods of personal withdrawal to seek material betterment and subjective well-being.

This phenomenon, which was limited until recently to the West, now extends from Tiananmen Square to the major capitals of Central and Eastern Europe and all over the democratic world. It is a time of huge rallies, when all of the official channels of political or interest-group representation are swamped, when the hypocrisies of ideologies and party platforms are rejected, and new social spaces and leaders are sought.

In the case of Argentina, the combined effect of a social explosion and an institutional implosion is the result of several converging factors. The escalation of the conflict inside Peronism has played a preponderant role in triggering the provincial incidents (previously Salta, Tucuman, Santa Cruz, and Santa Fe, and now Jujuy, Chubut, Santiago del Estero, and Chaco). At this point, the paralysis of governments combines with extremely serious social situations, administrative bankruptcies, and the almost spontaneous mobilizations of the sectors that have been hardest hit by the social consequences of the austerity program. In episodes such as those in Tres Arroyos, Chacabuco, or Catamarca, a wide variety of factors were alternately at work, factors imbued with strong ethical overtones and with the approach that more than a half-century ago Ortega y Gasset, diagnosing the "rebellion of the masses," called the primacy of direct action.

In all of these cases we have seen various combinations of factors such as the questioning of the established government, criticism of corruption, despair in the face of an unprecedented social crisis, the rejection of the conventional channels of representation, and a search for new social leaders who are uncontaminated and have absolutely no commitments. For the first time since public opinion has been gauged, the great majority of Argentines feel that they are personally much worse off than the country as a whole. Traditionally, we have followed the international pattern, according to which individuals saw themselves as relatively better off than the whole. The first reaction seems to be far from a

resigned recognition of this fact. How else can we explain the fact that a gaunt, disease-ravaged nun is able to head up a street march comprising almost half of the population of the city of Catamarca (no doubt the largest demonstration in our history in relative terms)? She managed to do what neither Peron, nor all of the military governments, nor Alfonsin, nor Menem were able to do: harass the last stronghold of provincial political feudalism.

* Economic Situation in Provinces Considered

91SM0134B Buenos Aires CLARIN in Spanish 29 Nov 90 p 14

[Unattributed editorial: "Problems in the Interior"]

[Text] The economic crisis is deepening the historical differences in income levels and degrees of development between the various regions of the country. The poorest provinces have high jobless rates, low levels of economic activity, and virtually bankrupt government finances. The problems of many provinces were worsened recently by the cutback in funding from the central government in various categories. Although treasury revenues increased last year, this was due to heavier collections of taxes not subject to revenue-sharing, as a result of which funding for the provinces fell 30 percent. To this we can add the drop in contributions from agencies such as FONAVI [National Housing Fund] or under the heading of electric-power funds.

Many provinces have little or no chance to offset these cuts with their own revenues, given the slump in production there, the low level of consumption among the people and, therefore, the small tax base.

According to official estimates, provinces such as La Rioja, Catamarca, Formosa, and Santa Cruz cover only about five percent of their total expenditures with their own revenues and thus depend almost entirely on transfers from the central government and national agencies.

Moreover, the expenditures of these provinces are concentrated in salaries, which explains the standstill in investment and the direct social cost of revenue declines. The payroll of civil servants has expanded appreciably in many provinces recently, which can be explained partly as a result of political patronage but also as a way of relieving unemployment. Even so, the unemployment rates in the provinces are 30 or 40 percent higher than the overall rate, which is itself very high in historical terms.

This situation has led to a string of labor-union conflicts over low wages and protests by regional producers whom the crisis has placed in a bind. It has also revived the long-standing dispute between provincial and national authorities over the distribution of tax revenues and the costs of the austerity plan.

These conflicts will never be resolved as long as the provincial economies and the national economy as a whole remain stagnant. Without growth, the conflict over government funds is, as we have stated previously, a fight over the distribution of poverty. Without greater economic activity neither the central government nor provincial governments will improve their revenue-generating capacity, and any austerity measure that they take will carry a social cost that they cannot hide.

Furthermore, the provinces are waiting for policies designed to promote, or at least, defend their products, which have been weakened by a lack of markets, inadequate prices, the absence of credit, and heavy taxes.

From the beginning the country has been divided between a wealthy coastline and an impoverished interior, and almost nothing has been done since then to shatter this dichotomy by integrating the various regions and their production capacity.

The crisis of recent years has worsened the lot of the interior as never before, and therefore, sweeping measures are needed to rescue it.

* Six Largest Exporting Companies Voice Concern

91SM0139C Buenos Aires LA PRENSA in Spanish 2 Dec 90 p 1

[Text] Neither economic agents nor the administration are unaware that given the current level of utility rates and domestic costs and the unrealistically priced dollar, it is practically impossible for export firms to compete successfully.

To reverse this situation, the six largest industrial-export companies have asked lawmakers to support a series of moves that will enable them to carry on their activities normally.

Among the sector's main needs are: recover all export duties in cash; bring gas and electric-power rates into line with international rates; overhaul the tax system and eliminate anti-export bias; establish stable ground rules, and pursue an exchange policy compatible with economic growth.

The businessmen voiced their concerns to more than 30 lawmakers on the Industry and Commerce committees of the Chamber of Deputies at a gathering near Iguazu Falls.

The six companies (Acindar, Alpargatas, Alto Parana, Aluar, Pasa, and Siderca) do $2.1 billion a year in business; of their $1.468 billion in sales last year, $713 million were on the domestic market and $755 million were overseas. In justifying their demands, the businessmen pointed out that the six companies paid $226 million in taxes, $100 million in compulsory savings and the remaining $168 million [as published] in uncollected refunds.

According to estimates cited during the working meetings, 30 cents of each export dollar goes for taxes and 19

cents to pay utility charges. To underscore the unfavorable conditions for local exports, the companies noted that Brazil's export duties are low and that the cost of industrial energy there is one-third of what it is in Argentina.

The analysis of the issues of concern to the firms that are devoting themselves to foreign trade was complemented by a visit to the Upper Parana plant. Their host, Hector Massuh, explained as often as he could that there is a 30 percent duty on Argentine exports, underscoring that Brazil places only a 2 percent duty on its overseas sales. He mentioned that the FOB value of industrial exports breaks down on the average to 30 percent taxes and 19 percent utility charges; these two items thus account for 49 percent of the price of an export.

As for the paper industry, Upper Parana technicians praised the advantages of the climate and soil in Misiones. Forestry has major comparative advantages, inasmuch as in the northern hemisphere 80 to 100 years are needed before trees can be cut, whereas in Misiones only 10 to 15 are needed thanks to environmental conditions that are conducive to rapid growth.

At the close of the gathering the Exporters Club decided to meet again in the second week of December at the Pasa plant in Santa Fe. In addition, it decided to set up a Foreign Trade and Production Forum to develop specific solutions to the problems besetting exporters.

Bolivia

Government Notes Great Concern Over Gulf Talks

PY1001021891 La Paz Television Boliviana Network in Spanish 0105 GMT 10 Jan 91

[Excerpt] Foreign Minister Carlos Iturralde Ballivian has stated that the failure of the talks held by the U.S. and Iraqi foreign ministers is a matter of great concern to Bolivia.

[Begin Iturralde recording] Naturally, it is a matter of great concern for all countries of the world. A last attempt will be made by UN Secretary General Javier Perez de Cuellar, who will travel to Iraq, and we have expectations, but I have just been informed that today's meeting in Geneva was a complete failure. I wanted to inform the representatives of the media here about our government's concern over this issue. [end recording] [passage omitted]

Police Repress Strikers; Reporter Said Beaten

PY0901120091

[Editorial Report] In its regular newscast at 0000 GMT on 9 January, La Paz Radio Fides Network in Spanish carries a 27-minute wrap-up on incidents that occurred during the strike called by the Bolivian Labor Federation, COB, in La Paz on 8 January.

In a one-minute item, the radio station reports the following: "Reporter (Leonardo Quiroz) was brutally beaten by the police. He was detained while carrying out his professional duties and was brutally beaten by uniformed policemen. This police brutality has completely deformed the reporter's face."

The report adds that the police were overwhelmed by strikers in La Paz today and that the police riot unit lacks the appropriate training.

In another one-minute item, the report adds that some 45,000 people today complied with the COB call for a march which was carried out peacefully. It adds that 11 people were arrested but that absolute calm now prevails in La Paz.

In another two-minute item, the station provides additional details on incidents during the rally and on the police actions. It adds that the human rights commission has released a communique which was read by one of its high-ranking representatives. The communique condemns the attack on the reporter.

In another two-minute item, the station claims that these incidents contradict remarks by the departmental police chief who claims that the police are acting intelligently. He added that "there are 3,000 police troops ready to act whenever ordered by the interior minister." The police chief added that the state of emergency, both within the police and the Army, will continue as long as the coercive measures imposed by the workers prevail. The strike will reportedly continue on 9 January.

The final three-minute item states that while union organizations are staging their rally in San Francisco Square, a large number of people who live outside the capital have been waiting for more than three hours on different highways or bus stops hoping to board some of the few buses to get home. It adds that on the eve of the march, stores and markets closed their doors for fear of looting.

President Paz Interviewed on Policy Successes

PY0901153891 La Paz PRESENCIA in Spanish 30 Dec 90 (Supplement) p 3

[Interview with President Jaime Paz Zamora by Teddy Molina C. at Government House in Lima; date not given]

[Excerpts] [Passage omitted] [Molina] What are the benefits that have been obtained from your government's foreign policy?

[Paz] [Passage omitted] I must mention the alternate development proposition, which is what we call the coca-for-development swap here when talking about the fight against drug trafficking and consumption. It has an important international impact, not to mention the concrete economic benefits that will accrue from its effective implementation, particularly for the peasants.

We should also recall my proposal for public and private investments in 1991, reconciling our foreign policy with the needs of internal development, and thereby guaranteeing private and public foreign investments to compensate for our still limited savings capacity. It can be said without exaggeration that our political actions made it possible for the country to overcome its historical isolation from investment capital flows. Bolivia was like an empty land, a nonexistent country as far as investments are concerned.

The finance that was negotiated during my trips to the United States, Spain, Italy, Brussels, and Japan amounted to more than $600 million, not including larger credits from multilateral institutions that were discussed with the Paris Consultative Group. Mention should also be made to the foreign debt reduction of more than $1 billion. [passage omitted]

On the political and diplomatic front, we managed to adequately handle regional and hemispheric policies that help our economic and commercial interests. We have improved our relations with the United States and made the presence of Bolivia more vigorous as a factor of regional integration. Unexplainable as it might be, the truth is that I was the first Bolivian president ever to visit Spain, Belgium, the European Community, Japan, Italy, and the Vatican. [passage omitted]

[Molina] What is the final balance of this year [1990] in government? Do you believe that the economic, social, and political targets of your government program were attained?

[Paz] For me the balance is positive and I believe that the majority shares this opinion.

Do not forget that the government program of the Patriotic Agreement was designed for a period of four years and that my term in office has nearly three more years to go.

In January 1990, I outlined the scope of our task in Decree 22407. We are resolutely complying with the terms of that juridical and political instrument. We have consolidated the fragile economic stability we inherited without resorting to strong-arm measures. Stability has become the country's normal way of life, to the point that our inflation rate is the smallest in Latin America. Exports have increased, unemployment has been reduced, and strikes and labor conflicts have been reduced in number and intensity. The GDP climbed for the fourth consecutive year with an index equal to, but not higher than, the population growth rate.

Bolivia is a country that lives in peace. Our action against crime and terrorism has been effective and is conducted within the law.

Bolivian democracy is being consolidated by the daily exercise of legitimate dissent among political forces of different ideologies.

All the parties are discussing their differences within the current legal framework. I am convinced that the political debate will foster a more solid institutional system; a better respected judicial branch; a more reliable and safer electoral system; and more effective and dynamic governments at the department level. We have created the RUN [Sole National Tax Registry] to provide documents for thousands of citizens who live beyond the institutional structure of the country. With the RUN we have taken an essential step toward the process of national modernization.

[Molina] What is the government's most outstanding economic achievement during 1990?

[Paz] Our achievements are many but I will mention only one: the energy issue, particularly natural gas.

We resolved the conflict that existed in our commercial relations with Argentina thanks to President Carlos Menem's Latin American vision. Argentina's gas purchase payments were normalized—a situation that appeared impossible—following the signing of an agreement in Buenos Aires a year ago. From then on the contract for sale of natural gas to this brotherly country ceased to be a reason for constant friction and became an instrument of integration and friendship.

We effectively negotiated an agreement for the sale of thermoelectric energy to Brazil that includes, of course, the construction of a gas pipeline to Puerto Suarez. We patiently and successfully held long negotiations with Brazil, the World Bank, and Japan seeking this goal. I personally guided the negotiations. In the end we resolved the problem of guarantees and agreed to a system of international financing for the construction of the pipeline. The actual work will begin during the first half of 1991. This investment project is the largest ever to be implemented in Bolivia. I must add here that this historic agreement was possible thanks to the personal intervention of President Fernando Collor de Mello.

We submitted the new draft of the Hydrocarbons Law to the legislative branch. This bill seeks to encourage the participation of national and foreign technologies and investments in developing this area. The structural reform law that was approved by Congress and promulgated by my government is an important initiative within the modernization and reorganization of the state and the national economy.

YPFB [Bolivian Government Oil Deposits] found oil in the San Alberto basin after many years of efforts and sacrifice. This find is one of the richest in the history of the country. Bolivia increased its natural gas export capacity by one-third with this find. Bolivian engineers, furthermore, are sure that our country has large reserves deep down and that these reserves are now within the reach of modern technology. This criteria is shared by more than 35 companies that have registered to operate in our national territory. The drilling of Well 11 marks the beginning of a $200 million plan to find new oil to replace the reserves that are being used by the national

oil industry today, reserves that were discovered over 50 years ago. YPFB has begun new explorations in La Paz and Cochabamba Departments. Various foreign firms are exploring in Potosi, Oruro, Beni, and Pando departments. The country is full of technicians and workers seeking oil.

I can finally say that our national efforts to diversify and broaden our natural gas export market were met with encouraging results. This will give you a more complete view of what we have achieved in only 16 months in this field of strategic importance for the future of the nation.

I have reasons to state that Bolivia will become the center of production and distribution of energy in the region. [passage omitted]

Defense Minister Views Old, New Year Plans

PY1001001691 La Paz EL DIARIO in Spanish 30 Dec 90 pp 4, 5

[Victor Hugo Rodriguez report]

[Excerpts] "Bolivia's most noble, deep, patriotic, and consequently, important cause is being undertaken with pride and temperance by the national Armed Forces; this leads me to believe that we have a first-rate institution that propels the motherland despite current difficulties."

This assertion was made by Defense Minister Hector Ormachea Penaranda in evaluating 1990. He added: "The important role assigned by the Constitution to the Armed Forces of safeguarding our borders, defending our national honor, and other extremely sensitive missions has been done with efficiency and a high level of performance." [passage omitted]

How was 1990?

Minister Ormachea's review of the year that just ended was very optimistic and he stressed that despite adverse factors "due to budget restrictions—given that the Armed Forces have overhead expenses because of a predetermined plan based on a pyramidal structure (soldier, cadet, general), Armed Forces members are carrying out their work with responsibility, convinced of their vital mission in aiding national development." [passage omitted]

"Despite all the difficulties, the Armed Forces have performed, as I said before, in an exemplary manner because, besides fac.rs already mentioned, they have become a fundamental pillar to support and guarantee the national democratic process, a fact that cannot be ignored by any Bolivian," Ormachea said.

In other times, he added, the Armed Forces could have represented a factor of instability and a source of problems. Fortunately, we can now speak of Armed Forces that have behaved magnificently. I repeat, the Armed Forces have been an important support, despite internal difficulties, in the process Bolivia is living through.

"That is my general impression of the year that has just ended," he added.

What will 1991 be like?

Given the defense minister's description of the military situation, it was inevitable to ask him about his views on activities in 1991 and the factors and effects resulting from an administration that will probably maintain budget restrictions, but will have the honor of "starting out" the much expected national reactivation process to set the basis of a promising future for the country. [passage omitted]

The defense minister said: "We will continue with tight budget restrictions, but when there are serious problems one must use his imagination to find the most convenient solutions. The Armed Forces will continue their work, and they need resources for this. I am sure the national budget will allot us funds with which we will cover our most immediate needs."

He reported that talks with private and public institutions in other countries were established a few years ago, confirming what Army Commander General Guido Sandoval has said—that the Armed Forces must begin to seek sources of income. The Armed Forces will persist with this subject until they truly participate in the Bolivian social and economic development process. [passage omitted]

"Our mission is preservation of the fatherland. We will make a special effort to contribute to our economic development," the minister said.

Ormachea mentioned, as an example, the Armed Forces Corporation for National Development, adding that the Army owns shares in Enauto [National Automotive Enterprise], Empexa [expansion unknown], Ammunitions Industries, and other companies with which it could form "joint ventures" [preceding two words in English] to solve its acute problem of lack of capital. This system would allow a reactivation of capital that was invested in industrial concerns in the past.

The procedure would help the Armed Forces' business activities and would strengthen the country's production and export apparatus. [passage omitted]

"Acting on different fronts" made the Air Force dependent on the Aeronautics Ministry during the first half of the year. The Air Force returned to the Defense Ministry in the second half. This made the project for Armed Forces integration possible "without affecting any other force."

We also made a good administrative decision: Each branch will administer the bulk of its financial resources as of 1 January. The commander in chief and the different commanders have agreed to it. The general administration, however, will remain in the hands of the Defense Ministry. "This will prevent the abuses we noted in the past. We will follow the order established in the SAFCO [Integrated Financial Administration

System for Government Control] Law on establishing a fiscal and financial system to exercise efficient control. In this way each branch will administer its resources more adequately," the minister said.

Ormachea said the Armed Forces will participate in industrial activities through this administrative system, seeking its financial survival. The minister cited as an example the construction of shipyards and installation of the electrical system and general lighting at the 1st Airborne Brigade in El Alto. This is an important security installation in which Spain is participating through special financing.

He said he will be in Madrid until 20 January at the invitation of his Spanish counterpart. He added that he will meet with government officials, executives and spokesmen of Spanish companies, businessmen, and industrialists to interest them in visiting Bolivia to study the possibility of financing large projects. He also said that the firm to be reactivated may be Enauto, which made "prototype" vehicles. This company can also rebuild trucks, tanks, tractors, buses, and all kinds of military vehicles.

He added: "The shortage of capital can be solved with Spanish, Argentine, or Peruvian investments because they have shown interest. We would be able to implement various important projects." [passage omitted]

Brazil

Rezek: 'Firm Belief' War Will Not Occur in Gulf

PY1001002291 Brasilia Domestic Service in Portuguese 2100 GMT 9 Jan 91

[Interview with Foreign Minister Francisco Rezek by Mario Silva in Rio de Janeiro; date not given—recorded]

[Text] [Silva] Minister, is it not time to talk about rationing gasoline...

[Rezek, interrupting] No. It is not time to talk about anything like that, or to worry about it.

[Silva] Does Brazil believe there will not be a conflict?

[Rezek] Yes. We believe there will not be a conflict. If there is war, we have an obligation; we are already planning some emergency formulas, but with the firm belief that there will be no war.

[Silva] Are there people still in Baghdad?

[Rezek] We have two diplomats, one military attache, and two administrative employees.

[Silva] Are they all men?

[Rezek] Yes, they are all men.

[Silva] Can Israel be used as a route to take some Brazilians out of there?

[Rezek] I think it would be the most secure place. The other possible routes in the region are: an Iranian route, a Jordanian route, and a route through Turkey. We hope to evacuate these people in a few hours, if necessary.

[Silva] Will they be brought back to this country?

[Rezek] We hope to bring them back to this country even in the event that regular airlines are held up. The Brazilian Air Force can be mobilized; that is, there are always some plans prepared because we have an obligation to think about everything. Today, more than ever, I do not think it will be necessary.

Government Studies Fuel Options in Event of War

PY0901233891 Brasilia Domestic Service in Portuguese 2100 GMT 9 Jan 91

[Text] There will be no fuel rationing in Brazil if war breaks out in the Persian Gulf. The government is working on a consumption rationing theory in the event of a short-term conflict. If war is protracted, more drastic measures will probably be adopted. This report has been released by Infrastructure Minister Oziris Silva.

[Begin Silva recording] We have decided that instead of rationing, we can rationalize the use of fuel with the cooperation of government sectors. I am certain that with the cooperation of the people, the government, and the production sector, we will be able to reduce the demand for petroleum if a supply problem arises, which we do not think is probable. [end recording]

The infrastructure minister will have to present a plan to the president of the Republic by the end of the week with at least 50 alternatives for adoption in the event of war in the Persian Gulf.

According to the minister, fuel prices will increase a great deal in the event of war, but there will be no domestic supply problem.

Minister Silva added that Petrobras [Brazilian Petroleum Corporation] has a reserve of 30 million barrels of petroleum, sufficient for 45 days of normal consumption.

Government Reacts to British Article on Collor

PY0901215291 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 8 Jan 91 p 6

[Text] The Brazilian Government has reacted strongly to an article published in the 6 January SUNDAY TIMES, the Sunday magazine of the traditional British newspaper THE TIMES, which criticizes and makes ironic comments about President Fernando Collor. Presidential Spokesman Claudio Humberto Rosa e Silva yesterday sent a letter of protest to the magazine's director Andrew Neil. "President Collor received the news with regret and indignation," the letter states. "The advocates of journalism are mourning," Claudio Humberto adds in the letter. Brazilian Ambassador in London Paulo Tarso Flecha de Lima also sent a letter to the newspaper

director protesting the manner in which the Brazilian president was treated and rebutting the contents of the article, which is signed by journalist John Ryle.

"The whole article is arrogant and carries the sour quality of an outdated imperialistic condescendence that belongs in the garbage cans of the past," the ambassador's letter states. The SUNDAY TIMES article, entitled "There Is Too Much Collor in Brazil," portrays a negative image of the Brazilian president and his administration. It reports on some rumors about the president's private life which circulated during the presidential campaign, and presents Collor as a bragging and irresponsible youth. The article has irritated Itamaraty. A copy of the article was sent by fax to Brazil on 6 January.

The Brazilian Government yesterday contacted Ambassador Paulo Tarso Flecha de Lima who early in the day filed a draft answer to the magazine editor. The tone of the answer was discussed, as were additional measures that could be adopted within the framework of the British press law. By last night, following consultations among Ambassador Paulo Tarso, Itamaraty, and the Presidency, the Brazilian Government presented a formal protest in London.

Plasma Laboratory Postponed Due to Lack of Funds

PY1001004891 Rio de Janeiro O GLOBO in Portuguese 6 Jan 91 p 9

[Text] Scientists from Sao Paulo and Rio de Janeiro States stirred up a dispute between the two state governments on where to establish the National Plasma Laboratory [Laboratorio Nacional de Plasma—LNP], a modern center for research on nuclear fusion, the fourth stage of matter, which is obtained by heating gases up to 200 million degrees. Rio de Janeiro State won the dispute when the former Science and Technology Ministry chose it as the site for the laboratory, which would require a $60 million (10.3 billion cruzeiros) investment.

After the decision was made and the agreement signed, no more was said about the subject. The place for setting up the laboratory had been selected: Xerem, Duque de Caxias District, next to the National Metrology Institute. However, its construction, scheduled to start in 1988, never materialized. One of the LNP supporters, state Science and Technology Secretary Jose Pelucio Ferreira, explained that the project was suspended by the federal government due to a lack of funds. The ministry was turned into the Science and Technology Secretariat and the project, according to Secretary Jose Pelucio Ferreira, was shelved.

Jose Pelucio Ferreira regrets that installation of the laboratory will not be feasible as long as the budget earmarked for research is not revised.

Scientists, in the meantime, have already changed their minds about the LNP's merit. One of them, who chose not to identify himself, said the project has lost its value and there is no longer any reason for it. He believes that to be able to carry out a first-class project, it will be necessary to invest at least $300 million (51.6 billion cruzeiros). Moreover, it would still be far behind the research carried out in the United States and the USSR. The $60 million investment Brazil had in mind would only allow installation of a teaching laboratory.

From a practical point of view, Brazil has no experience in plasma, only a few minor tests. Scientists are fully aware of the fact that the country does not need to invest in plasma, asserted the scientist, who participated in research carried out for the setting up of the laboratory.

Plasma, the subject of a great deal of polemic, was announced in 1958 during the second conference on the use of nuclear energy for peaceful purposes held in Geneva. Unlike nuclear fission, which is used in nuclear plants, this process does not generate radioactivity as it generates energy. The difficulty in handling gas at such a high temperature—it cannot come in contact with any surface—and the uncertainty that its results will be positive represent obstacles to carrying out research.

Edson Machado de Souza, deputy secretary of the National Science and Technology Secretariat, reports that the project is still in mind. According to him, cuts on investments implemented by the Budget Guidelines Law have hindered the goal. Machado de Souza added that there are no prospects for building the laboratory during 1991 unless the state government is willing to invest in this project, a possibility that was completely ruled out by Secretary Jose Pelucio Ferreira.

Storage Sites for all Nuclear Material Selected

PY1001012691 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 9 Jan 91 p 12

[Text] Rio de Janeiro—Anselmo Paschoa, executive director of the National Commission for Nuclear Energy (CNEN), reported yesterday that all nuclear material in the country that can be transformed into highly enriched plutonium or uranium will probably be stored at the Institute for Energy Research (IPEN) in Sao Paulo and the Navy Experimental Center in Ipero, in the interior of Sao Paulo.

Paschoa said this measure will help to improve the security of the material, which is currently stored in installations in Rio de Janeiro, Sao Paulo, and Minas Gerais, and will protect it from robbery. Paschoa added that there is a project to transfer the material stored at various institutions over the next three months. The Federal Police will be in charge of the security of the operation. He said three Argentine experts are aware of the project; they are in Rio de Janeiro to exchange information with the CNEN on the amount of nuclear material stored by Brazil and Argentina.

Paschoa said the CNEN has registered the total of yellow cake [preceding two words in English] (uranium concentrate), ammonium dioxide [diuranato de amonio] (a salt

used in the uranium enrichment process), and hexafluoride (uranium turned into gas) in the country. He said: "We have a considerable number of products of great commercial interest." "We do not report the amount because no country would provide this information," he added.

Paschoa said that the enriched uranium used as fuel for the first reload of the Angra 1 nuclear plant, which is stored in a tank at the plant, will remain there since the second reload will take place in the next six months. He added that the solution for the radioactive waste caused by the Angra 1 nuclear plant will depend on construction of a uraniaum processing plant.

Paschoa also said that the Argentine experts are examining plans for the Brazilian nuclear plants to determine the relations that will be established between the two countries in this field. They still have to decide on the frequency of inspections and on access to secret information on nuclear material existing in the country. Next week a CNEN delegation will go to Argentina to examine the Argentine nuclear program.

* Activities of CTEx Special Research Institute

91WP0051A Rio de Janeiro MANCHETE in Portuguese 15 Dec 90 pp 22-27

[Claudio Accioli article: "With His Hand on the Atom"; first paragraph is MANCHETE introduction]

[Text] Moving with precision, the engineer places a cylinder (made of drawn aluminum) containing natural uranium and helium into a panel made of nuclear-grade graphite. All this is taking place at the Special Research Institute in Rio, where the Brazilian Army has almost completed an experimental radiation reactor fueled by natural uranium—technology that still has not been mastered even by the more developed countries. The Army—which for many years kept its nuclear program strictly secret—is opening its doors to MANCHETE. The following pages tell the story of the secret that has been unveiled.

Army Opens Its Laboratory Doors, Unveils Secrets of Brazilian Nuclear Program

Army Almost Master of Technology Not Even Superpowers Have Mastered

The mystery has ended. After years of secrecy, the Brazilian Army decided to reveal the nature of the projects that it is carrying out at its Technological Center, a gigantic complex of laboratories in an area of 25 square km at Guaratiba, in the Western Zone of Rio. There, amid various types of activity, scientific curiosity converges on the Special Research Institute (IPE), where research on the construction of a nuclear reactor with state-of-the-art technology is in an advanced stage. The problem is that as a by-product of its operation, the Experimental Radiation Reactor (REI) will generate more plutonium than its counterparts—and plutonium leads to an atomic bomb. It is a hypothesis that Gen. Romero Lepesqueur, secretary of science and technology of the Army, energetically dismisses. "Brazil," he says, "chose not to make the bomb."

One enters the grounds of the Army Technology Center (CTEx) along a narrow road approximately three kilometers in length that from time to time allows glimpses of various modular structures that house the Center's laboratories. The main office of the IPE—and the eight modules that comprise its installations—are located at the end of the road on a kind of plaza. Inside each module is a part of the REI—the infrastructure, equipment, and materials necessary for the faithful reproduction of of the operating conditions of each section of the reactor. "Our objective here is solely to master the nuclear process—a technology that we do not yet have in Brazil," the director of the IPE, Gen. Nelson de Almeida Querido, explains. "This goal has virtually been accomplished. What remains is to work out the details of the project and give it the appropriate dimensions." In other words, one need only put the various parts together in order to achieve the Experimental Radiation Reactor.

The reactor in question is fueled by natural uranium, moderated by nuclear-grade graphite, and air-cooled. It was chosen because it offers the advantage of leading to a technology that has not yet been mastered even by the developed nations. "The REI," the general says, "is the natural way for us to accomplish the construction of a High-Temperature Gas-Graphite Reactor (HTGR)."

The Nuclear Program Involves Atom-Bomb Technology, but Brazil Chose Not To Make the Bomb

The Army plans subsequently to proceed to the construction of a Modular High-Temperature Gas-Graphite Reactor (MHTGR), which "is intrinsically safe," according to Gen. Nelson. "Under no circumstances would it be subject to a nuclear accident," he says, "because the materials used in its manufacture would resist high temperatures, and its design provides for an underground nucleus capable of dissipating into the soil any residual heat that might be present."

There have been unexpected problems along the way. The REI—which has already consumed $49 million—will require an additional $35 million for completion. Because of the high percentage of plutonium the reactor would produce, the Working Group of the National Nuclear Energy Program—in a report submitted to the president of the republic—recommends that the original planned capacity of 20 megawatts (MW) be reduced to five MW. "We may even decide to build the REI with a capacity of two MW," the general reassures us, "because in that case we would need more than 100 years to accumulate the quantity of plutonium necessary to make a nuclear device." There is one detail: if authorization were to be given now, the REI would be ready in 1994.

More than 100 civilian and military technicians—most of whom are engineers from the Military Engineering Institute—put in eight hours a day at the IPE, always

under the control of the radiological protection laboratory. They each wear two dosimeters—small metal plaques—attached to their clothing as a kind of badge. One of them uses a crystal which—when heated in the instrument that registers the radiation—emits a luminous beam with an intensity that corresponds to the radiation that may be encountered, with the advantage that it permits an immediate evaluation in emergency situations. No case of contamination has occurred to date.

The REI laboratory that is most subject to exposure to radioactivity is the reactor and radiation physics laboratory, where a subcritical unit is already in operation. With the aim of furnishing models and mathematical parameters for the future project, it functions with aluminum cylinders—containing uranium and helium—that are inserted into a kind of panel consisting of nuclear-grade graphite. "The chain reaction in this unit is not self-sustaining," Gen. Nelson observes. "It is dependent on the stimulus it receives from a beam of neutrons to sustain itself. It can be controlled."

Informatics—which is involved in almost the entire process—also helps the research project to monitor the safety of the reactor. In the control laboratory, a computer simulates for the technicians the atomic reactions that occur in the equipment, orienting the research toward techniques for controlling these reactions. In practice, however, this research is carried out in a room adjoining the laboratory, where a system has been installed with boron bars capable of absorbing the neutrons that trigger the nuclear reaction. "It is all done with Brazilian technology and equipment," the general says proudly.

Equally vital to the safety of the process is the cooling system of the reactor; it is already completely built in the laboratory itself, although on a reduced scale. It uses filtered air, which passes through the inside of the reactor, is heated, and is again cooled before returning to the atmosphere at the terminus of the system of pipes.

Lastly—and completely filling one of the IPE's modules—there is the "superstar" of the Army's nuclear project: the pilot plant for the production of nuclear-grade graphite, which will be used as a moderating component in the REI. With the success of these experiments, Brazil became only the seventh country in the world to possess this strategic technology. Unlike ordinary graphite—which is found in nature—graphite for nuclear use has to be produced artificially, based on a combination of materials such as coke (pure carbon) and pitch. After a lengthy and sophisticated process that is a closely guarded strategic secret (it includes, among other stages, grinding, pressing, impregnation, cooking, annealing, and graphitization), the graphite bar is ready for use in the reactor.

All this indicates that the nuclear process has now virtually been mastered by the Brazilian Army, save for only a few minor adjustments. All the stages have been completed. What happens now, however, is no longer up to the technicians of the IPE of the CTEx. Gen. Nelson sums it up this way: "We are waiting for the green light."

But it is not just in the domain of the atom that this planning is going on. Close by the installations of the IPE, the Institute of Research and Development (IPD) is seeking to make Brazil independent in the field of military hardware. Since 1983 hundreds of civilian and military technicians with the most varied backgounds of training are working there. At present they are concentrating on a 120-mm mortar that is now ready to be adopted by the Army subject only to the final phase of testing, at the Marambaia Proving Ground. The cream of the crop, however, is a land-to-air antiaircraft missile, also virtually completed, subject to test flights. "Nothing here is a copy," declares Gen. Castro Silva, director of the IPD.

The examples of the technology developed here include the manufacture of a thermopile, an energy source that functions only when the electrolyte melts and can therefore be stored for years without discharging. Its second generation (smaller in size) is already in the testing stage and can have various strategic applications, including its use in missiles. "Only four countries in the world possess this technology," Gen. Castro is pleased to say, adding that the intent is to turn the project over to Brazilian industry as soon as it receives final approval.

In another unit—the Laboratory for Special Electro-Optical Sensors—the technicians are perfecting the missile-guidance system. They regard as encouraging the results obtained in the development of infrared ray sources—which make the path of a missile visible to the ground equipment—and also of sensors that capture this emission in order to redirect the course of the missile.

Gen. Romero Lepesqueur, secretary of science and technology of the Army, says the nuclear program that was derived from the Brazil-Germany accord is experiencing difficulties. "They (the countries of the First World, such as Germany) are not interested," he says, "in having the less developed countries possess nuclear technology. They do not want to lose customers. Our objective," he explains, "is to develop technology in the nuclear sector. This will obviously lead us to the technology of the atom bomb, if we so desire. But what we want is the know-how, and we shall not forgo it. Other countries chose to make the bomb. Brazil chose not to make it."

[Box, p 26]

"The independent program of nuclear technology," Gen. Romero Lepesqueur declares, "pejoratively referred to as the 'parallel' program, is not for the purpose of making an atomic bomb. An analysis of the nuclear question leads to the conclusion that we should possess the technology. We cannot forgo the know-how. The decision as to whether or not to carry out a bomb project—which is not being considered—depends on whether one wants to and has the resources. It is for the government to decide—and the decision is not to make it."

Chile

Evacuation of Personnel From Gulf Region Planned

Missions Will Remain Open

PY1001115691 Santiago Radio Nacional de Chile Network in Spanish 1000 GMT 10 Jan 91

[Veronica Munoz report on meeting held by Foreign Minister Enrique Silva Cimma analyzing the Persian Gulf situation; place and date not given]

[Text] On 11 January the government will send an Air Force plane to the tense Persian Gulf region to evacuate diplomats' relatives and nonessential personnel at Chilean missions in the area. This decision was made in light of the imminent possibility of war following Iraq's refusal to withdraw its troops from Kuwait.

This information was reported by Foreign Minister Silva Cimma after a working meeting at his office. The meeting lasted more than an hour, during which time the situation in the area was analyzed.

The minister said that no Chilean post in the area will be closed but missions will operate with the minimum number of personnel. The affected missions are the Chilean embassies in Saudi Arabia, Syria, Jordan, Israel, and Egypt. The minister explained that the officials who will stay in the missions will be protected by the international rules of diplomatic immunity. He noted that those embassies have purchased some items, including gas masks.

Silva Cimma said Chilean foreign service personnel have an obligation to remain in their posts and that this is a tradition in Chilean diplomacy. He added that neither military contingents nor weapons will be sent to the area, but, should war break out, Chile will provide humanitarian aid. He also noted that, in case of war, Chile will actively engage in operations to establish a cease-fire and the pacification of the area. He reiterated that Chile hopes the conflict will not turn into a war.

Silva Cimma said the government is sponsoring a joint statement by the Rio Group, which could be issued in the next few hours. He said that a break in relations with Iraq is not being considered.

Attack on Israel Will Bring Response

PY0901181491 Santiago Radio Chilena Network in Spanish 1600 GMT 9 Jan 91

[Text] The situation of the Chileans living in Israel is said to be normal and they are keeping in touch with the Chilean Embassy. This statement was made by the Chilean ambassador in Tel Aviv, Marcos Alvarez, who talked with Radio Chilean during the "Chilean in the Gulf" program this morning.

Foreign Minister Enrique Silva yesterday reported that some 2,000 Chileans want to leave the area.

[Recorded passage indistinct].

Ambassador Alvarez said that if Israel is attacked, it will respond to the aggression.

Saddam Husayn has said that a solution to the Arab-Israeli problem is needed to solve the conflict.

Government Responds to Army Support of Pinochet

PY0901205291 Santiago Radio Chilena Network in Spanish 1600 GMT 9 Jan 91

[Unattributed report with recorded excerpts of government communique, issued by the Army high command; place and not given—read by Acting Secretary General of Government Jorge Donoso]

[Text] The government has stated that there is no evidence that organized sectors or groups are attempting to divide the Armed Forces or the Army. This was the executive branch's answer to a statement that the Army high command issued yesterday. The text of the government communique was read by Jorge Donoso, acting secretary general of government.

[Begin Donoso recording] At this time in the life of Chile, which is marked by an atmosphere of peace, work, and institutional normalcy, there is no evidence that would lead to the conclusion that organized sectors or groups are attempting to divide the Armed Forces or the Army. [end recording]

The communique adds that no one can fail to admit that government officials, beginning with President Aylwin, have promoted widespread cooperation with and respect for military institutions and their full institutional functioning. Toward this end, it is essential to maintain unity and coordination within the Armed Forces as a central task that no one should undermine, the communique notes.

[Begin Donoso recording] If persons or groups issue statements that could be deemed attempts to affect the Army and its functions or the functions of any other national institutions, the appropriate thing to do would be to resort to existing mechanisms and to legal and administrative channels. [end recording]

The communique ends by stating that in no way can this situation interfere with the enforcement and free exercise of the constitutional powers of the Congress and the courts.

Peruvian, Bolivian 'Mules' Importing Drugs

PY0901222291 Santiago EL MERCURIO in Spanish 3 Jan 91 p C 7

[Osvaldo Diaz Tapia report]

[Text] Arica—The drug trafficking Mafias are paying as much as 4,000 pesos to hire Peruvian and Bolivian citizens, most of whom have no personal documents and no education whatsoever, to cross the border and bring drugs to Chile through Africa and Iquique.

Through this system, the financiers avoid showing up and running the risk of exposing themselves to the police because even the "mules" are identified by third parties who only serve as liaisons between runners, couriers, and cocaine customers.

The use of these people, especially Peruvian citizens, has been increasing over the past few months, as well as the use of Bolivians, with or without documents, who have been detained by special investigations police agents carrying or hiding cocaine paste.

These "mules" would rather use mountainous routes that are very difficult to find and unauthorized passages because the Chilean border in this zone, both with Peru and Bolivia, is very long.

There are also people who, on their own initiative, come to this city through these border passages carrying drugs which they resell themselves.

Arica Investigations Police Prefect Simon Tapia Canas has stated that there are undoubtedly many mountainous routes that have not yet been detected by the police because the border dividing our country from Peru and Bolivia is very long.

"The authorized passages are very few, but there are many that are not controlled and only they know about them. They are using new routes that they discover every time they carry out this illegal traffic," he said.

One of the best operations carried out by the Arica Investigations Police 1st Narcotics and Dangerous Drugs Brigade over the past few years was the seizure of drugs and clearing of a crime that led to the arrest of Bolivian citizens who were carrying 15 kg of cocaine base.

Another recent operation involving Bolivian citizens and the seizure of four kg of cocaine has been added to this. The Bolivians hid the drug in the hills near Timar, some 120 km from Arica.

The investigations police prefect has confirmed that drug traffickers and financiers are widely using people with very little education to carry the drug.

This has been confirmed by remarks made by the "mules" themselves when they were interrogated by civilian police officials.

"The latest report we have is that these people are being paid 4,000 pesos per kilogram of cocaine taken from Bolivia to Chile," he said.

The people who agree to carry the drug know very little or nothing at all about the people who hired them, nor do they know to whom they must deliver the drug because they are sought out by those people at established points in the city.

Contacts are usually made in bus stations, although there is no set procedure, and the "mules" are usually located through investigations, but not the customers.

In 1990 the Narcotics and Dangerous Drugs Brigade managed to seize approximately 40 kg of cocaine.

Police Prefect Simon Tapia Canas called 1990 a positive year for the civilian police in the struggle against drug trafficking in Arica because, with the creation of the Antidrug Committee chaired by Governor Luis Gutierrez Torres, the community's cooperation in fighting this serious problem has been achieved.

"I would say that the citizenry has become aware of the drug trafficking and drug addiction problem, which largely affects the youth. Several organizations and people have been working with the police, managing to control or neutralize drug trafficking activities in this city," he said.

He added that based on reports by townspeople—either personal or anonymous—through neighborhood councils that work with the Antidrug Committee, several successful operations have been carried out to dismantle drug marketing activities.

He said that the number of seizures and the fact that 50 percent of the overall number of prisoners in the local penitentiary are being held for drug trafficking, show that the work of the police and of all those who are fighting this scourge is positive.

Police Uncover FPMR Infrastructure in Maule

PY0901212291 Santiago EL MERCURIO in Spanish 31 Dec 90 pp A1, A9

[Milton Saavedra Munoz report]

[Excerpts] Talca—After a series of terrorist attacks in the Maule Region—in Talca and Curico Provinces specifically—the police have been able to detect a complete infrastructure built by the Manuel Rodriguez Patriotic Front (FPMR). The infrastructure was planned for urban and rural guerrilla schools, which were to function in the Andes region—especially at Vilches Alto, east of Talca—and to promote the so-called "National Patriotic War" aimed at seizing power through armed attacks.

The region's topography and geography, in addition to the local climate, make Maule Region "excellent" for training and preparing subversive group members.

Analyzing reports and FPMR terrorist attacks from January 1989 to December 1990, the police learned that there was a guerrilla school in Vilches Alto. At the school, the police found evidence of Chilean and foreign terrorist groups—including the Tupac Amaru, Shining Path, FPMR, MIR [Movement of the Revolutionary Left], Lautaro Front, and Lautaro Rebel and People's Forces groups.

The police did not find weapons on the spot although they found equipment used to teach groups of about 10 people shooting and survival techniques.

Investigative operations were intensified after the finding and Talca residents were shocked to learn about one more terrorist action—the murder of Carabineros Sub-Lieutenant Juan Carlos Amar Iturrieta. Amar Iturrieta was killed by high-ranking FPMR chiefs who participated directly in the attack against then President General Augusto Pinochet Ugarte. [passage omitted]

The investigation proves that the so-called "National Patriotic War" —through which the FPMR intends to seize power—began with an attack on the Los Quenes police unit. During the attack, the terrorists killed a Carabineros NCO, seized the Carabineros' service weapons, and frightened residents of the pleasant Andean village.

Of the terrorists who participated in the attack, two—later identified as "Tamara" and "Rodrigo"—were found dead in a nearby river. Both were high-ranking FPMR chiefs.

After arrests in Talca, Molina, and Vilches, police were able to frustrate several actions—including attacks on police units and government offices—that the terrorists planned to conduct.

The "National Patriotic War" had started.

Preparations for these actions and the training of personnel for them, are normally conducted in inaccessible regions that allow the terrorists to easily escape the police.

Some years ago, police found a guerrilla school at Neltume, near Valdivia. The region, however, proved to be inadequate because it is extremely rainy.

The FPMR then decided to seek a region that was better suited to their needs and immediately discarded the northern region, which is too arid.

The Maule Region's advantages, which are known to all, fit the FPMR's needs. It has better climatic conditions, differentiated seasons, and a geography and topography adequate for the installation of encampments; it is also close to big cities making shopping possible and has many inaccessible places and woods.

The Maule Region mountains offered the FPMR all it needed.

The police operations—which resulted in the discovery of arms caches, encampments, hideouts, weapons, and explosives—have confirmed that the region was clearly chosen for "training and teaching" FPMR members.

* New Army Hierarchy Profiled, Analyzed

91SM0137A Santiago LA NACION in Spanish 23 Nov 90 pp 8-9

[Monica Gonzalez article: "Army High Command Opts for Renewal"]

[Excerpts] [Passage omitted] Now that official orders have come with the new assignments, one criticism clearly emerges: The key posts for ensuring cohesiveness, discipline, and rehabilitation of the military mystique, meaning the most important command posts in the country, have been entrusted to generals recently promoted or with little seniority. The choice has been made for change.

Another choice worthy of note is the emergence of Major General Guillermo Garin as the new strong man on the staff by virtue of his appointment as inspector general of the army.

In 1973, the Army Corps of Generals was made up of 22 members, which number increased to 52 in 1989. Today, without counting the anomaly of political-military appointments, Army generals number 43, one more reflection of the return to democratic normality.

Leaving aside the roles of commander in chief, General Augusto Pinochet, and deputy commander in chief, Lieutenant General Jorge Lucar, the most important appointments have now been entrusted to the following generals:

Major General Rodrigo Sanchez Casillas: Area of specialization: Engineers. Graduated from the Military Academy in 1957, served as director of the Airborne and Special Forces School, participated in DINA [National Intelligence Directorate]. General Pinochet's closest adviser on internal security, as a result of which he became head of the Noncommissioned Officers School in 1982. Promoted to the rank of general in 1985, named commander in chief of the 7th Army Brigade and quartermaster general of Coihique from 1985 to 1988, when he became director of logistics. That same year, he was named adviser of the Chilean Copper Commission representing General Pinochet. In 1989, he became president of the ISE, the Insurance Institute. During the break in 1989, he was transferred to the Special Forces. That same year, he was named director of operations and promoted to major general. In August, he appeared publicly as inspector of the Army, but was finally appointed chief of the General Staff.

Major General Guillermo Garin Aguirre: Area of specialization: Cavalry. His military career has been at military headquarters at La Moneda, first as a member of the Presidential Advisory Committee and later deputy chief of the presidential staff under General Santiago Sinclair. At that time, Garin set up a veritable shadow cabinet for General Pinochet in order to keep an eye on the operations of every ministry. In 1985, he became chief of Military Headquarters and in 1987 was named chief of the military mission in Spain, a post reserved for General Pinochet's closest aides. On 17 February of that year, he became head of the Military Institutes, a post of major importance given his scant seniority. He will now serve as the new inspector general of the Army. Under

him will be all branch committees and service committees: health, materiel, justice, quartermaster corps, transport, and religion. In that capacity, he will have a major role in the internal investigation of "La Cutufa." He ranks ninth in terms of seniority. [passage omitted]

Command Posts

In recent years, due to the political connotations of the advisory nature of many posts, a substantial number of army command posts have declined in importance. They are now regaining their former splendor and hierarchy within the military structure. Within such a framework, the most important posts are heading the 1st Army Corps (northern region), the 2d Army Division headquartered in Santiago, and the Southern Military Region.

Major General Luis Serre, whose political-military background is well-known, continues as head of the 1st Army Corps. General Guido Riquelme Andaur was appointed to head the 2d Army Division, and the Southern Military Region will be led by Major General Miguel Espinoza Guzman.

Guido Riquelme Andaur: Area of specialization: Infantry. Born in 1938. Staff officer and a professor of tactics at the Military Academy. Promoted to the rank of general in 1988 and that same year appointed commander in chief of the 7th Brigade in Coihaique, replacing General Sanchez Casillas. Last year, he was appointed commander in chief of the 2d Army Division, advising General Carlos Parera, and military judge of Santiago. He now assumes leadership of the Santiago Military Garrison, replacing General Parera. He ranks 19th in seniority.

Miguel Espinoza Guzman: Area of specialization: Infantry. Born in 1938. In 1974, he joined the Presidential Advisory Committee, known as COAJ at the time. In 1978 and 1979, he served as director of SOQUIMICH [Chilean Chemical and Mining Association]. In 1980, he was named military attache to Washington. In 1984, he assumed command of the Tucapel Regiment in Temuco and the quartermaster corps in the same city. He was promoted to the rank of general in 1986 and named deputy commander in chief of the 2d Army Division (Santiago). In 1987, he was named quartermaster general of the 6th Region. In 1988, he was appointed head of the Telecommunications Command and, within a few months, commanding officer of Army Logistical Support. He now takes over leadership of the Southern Military Region, where (retired) General Alejandro Gonzalez Samohod served until only a few months ago. He ranks seventh in terms of seniority.

The old 6th Division, located in Iquique, is now the Iquique Garrison under the 1st Army Corps and is one of the most important Army structures in the country, comparable in size and fire power only to Santiago. The country's most important military unit, Baquedano Fort, is in that division. The garrison command, one of General Pinochet's favorites, was turned over to recently promoted General Patricio Acevedo Trujillo of the Infantry, who served as commanding officer of the Buin Regiment for five years and military attache in Paraguay.

General Jorge Lagos Silva remains commander in chief of the 6th Army Division in Arica, having served as deputy director of the Airborne and Special Forces School when General Carlos Parera was director. He put in a brief stint at DINA. He was promoted to the rank of general in 1989 and for a few months served as commanding officer of military institutes replacing General Garin, who was still in Madrid.

Ricardo Gaete Villasenor, promoted to the rank of general in 1988, is commander in chief of the 3d Army Division headquartered in Concepcion. Gaete, from the Artillery, was military attache in South Africa, deputy commander in chief of the 1st and 2d Army Divisions. His deputy commander in chief will be the newly promoted General Guillermo Sanchez Rojas, former governor of Linares Province, former director of the Artillery School in that same city, and director of the Military School.

General Rafael Villarroel Carmona was appointed to head the 4th Army Division headquartered in Valdivia. He served as director of the Quillota Armored Cavalry School for three years and was promoted to the rank of general last year.

The new 7th Army Division in Coihaique will continue to be headed by General Jose Carrera Rivera, promoted to the rank of general in 1989 after a solid political career: secretary general of the government, director of civil organizations, director of CAP [Pacific Steel Company].

Commander in chief of the 5th Division in Punta Arenas under the Southern Military Region is General Juan Solari Rincon, promoted to the rank of general only in 1988. He is from the Armored Cavalry and served as a staff officer and professor at the Military Academy in military geography and geopolitics, tactics, and operations, as well as director of instruction. His deputy commander in chief is the new General Eugenio Videla Valdebenito from the Engineers. He has been director of the Tejas Verdes Military Engineers School, military attache in Brazil, and secretary of the post of deputy commander in chief of the Army. Finally, another new general will take over the important post of deputy commander in chief of the 2d Army Division in Santiago. He is Humberto Julio Reyes, who was undersecretary of foreign relations and served on a military mission in Great Britain.

Command posts will visibly now be held by a new generation of officers.

General Jaime Concha Pantoja

New commanding officer of military institutes, the second most important command post after leadership of the Santiago Garrison. Under him is the War Academy, Military Polytechnical Academy, Military

School, Noncommissioned Officers School, Infantry School, Engineers School, Artillery School, Airborne and Special Forces School, Armored Cavalry School, Telecommunications School, Women's Military School, High Mountain School, and the Aviation Command.

Area of specialization: Infantry. Born in 1938 and promoted to the rank of general in 1988. Director of the War Academy from 1983 to 1986, military attache in Argentina, director of standardization and development. He leaves the post of commander in chief of the 3d Army Division and is 17th in seniority. He replaces General Guillermo Garin in this post.

General Hernan Ramirez Rurange

New director of intelligence. Born in 1939 and promoted to the rank of general in 1988. As a lieutenant in 1973, he arrested Jose Orlando Flores Araya in Maipu, now a fugitive. Served as chief of General Pinochet's presidential escort for many years and, in that capacity, went to Manila in 1980 on an advance intelligence mission to prepare for Pinochet's unsuccessful trip to the Philippines. A man with General Pinochet's absolute trust, he also worked in public relations for the Army and in 1985 was a member of the presidential staff headed by General Sinclair and Guillermo Garin. He served as military attache in Uruguay and also had assignments in Ecuador. Quartermaster general of the 4th Region and deputy commander in chief of the 2d Army Division. He was one of the first changes made by General Pinochet in the reorganization. He will have the difficult task of reorganizing the intelligence directorate in the light of investigations into La Cutufa, a key post.

* Effects of Pardoning Political Prisoners Viewed

91SM0140A Santiago QUE PASA in Spanish
26 Nov 90 pp 17-18

[Pedro Ramirez article: "The Price of Pardons"]

[Text] When Chamber of Deputies Vice President Carlos Dupre (DC [Christian Democratic Party]) had no arguments to back his hasty report that members of the CNI [National Information Center] had infiltrated the Mapu Lautaro, one received the distinct impression that the party in power was still unable to accept the fact that leftist extremist rebels were in Chile for good.

In an effort which the center right lost no time in labeling as "disturbing," the DC representative appeared to try to minimize the responsibility of extremists for the assassination of four Gendarmes and one Carabinero during the attempted rescue of Ariel Antonioletti, shot down on 16 November. It was obviously not out of sympathy for them, but rather, to try to dispel the impact on public opinion of the government's efforts to free the potential protagonists of more attacks.

Nor should any of this be surprising inasmuch as the center right's attempt to trap Aylwin in his own claims was perfect. It is the president, acting on his own responsibility, who will in the end decide whether to pardon and thus release political prisoners sentenced for more serious crimes once Article 9 of the constitution has been modified.

Neither Dupre nor the chorus of Coalition leaders who joined in his report could present the slightest evidence to back his suspicions. Specifically—and this is supported by stacks of evidence—most of the country's 236 political prisoners belong to organizations that have never even hinted at the possibility of renouncing the armed struggle. In contrast with what has happened in countries such as Brazil and Argentina, where pardoned guerrillas surrendered their arms, in Chile, so-called political prisoners may, upon their release, join the ranks of those bent on gaining access to power at gunpoint.

For many, particularly those belonging to the Autonomous Manuel Rodriguez Patriotic Front (FPMR-A), the Mapu Lautaro, the MIR-Pascal [Movement of the Revolutionary Left], and the MIR-Aguilo, the conditions that generated political violence under the military government have not changed with the advent of democracy. "So long as there is no social justice, so long as the Judicial Branch and Armed Forces are not democratized, the conditions that generate violence will continue to exist, even though we are under a democratic regime," defendant Higinio Esperguer of the MIR-Pascal said.

The rhetoric of these prisoners echoes the official voice of their organization, known through bulletins with such names as EL PUEBLO REBELDE, PUEBLO EN ARMAS, EL COMBATIENTE, EL REBELDE, and EL RODRIGUISTA. All of these, aside from certain differences derived from varying tactical and strategic considerations, aspire to turn Chile into a socialist country by a forceful overthrow of government.

The Mapu Lautaro, through the action of its Youth Movement and its Rebel and People's Forces, the MJL and FRPL, follows the strategy of Insurrectional Mass War, "the irreversible path toward a People's Chile." What happened at Sotero del Rio Hospital illustrates the group's aversion to anything signifying respect for democracy. It even refuses to take the prudent tactical step of silencing its weapons in order to make it possible for its jailed members to be released and subsequently resume their actions.

With less spectacular action and greater clarity in the political and military objectives they pursue, the "militiamen" and "combatants" of the Autonomous FPMR have as their strategy the National Patriotic War. Even though its most recent actions, in accordance with the motto "No To Impunity," were developed against former CNI agents, its official proposals also support positions aimed at establishing a so-called "people's democracy" in Chile. Nevertheless, beginning with the attack on Los Quenes, which in 1987 marked its independence from the PC, its activity has suffered a considerable decline resulting from the loss of the logistical support of its parent party.

In turn, the MIR-Aguilo supports the line of the People's War, which variation began in the revolutionary movements with Mao and was subsequently ratified in Vietnam. According to the resolutions of its last congress, the basic objective of the strategy is "a power takeover by the people and proletariat because it is they who, once the bourgeois state has been destroyed, will create the conditions to bring about the democratic and socialist transformations implied by the proletarian revolution." Nor did they spare any shots at Aylwin: "The existence of the military power of the people is confirmed by the continuation of the counterinsurgent regime, now led by a government elected by the people's votes as the successor to the dictatorship, but representing the same interests." To date, the only way to evaluate the future behavior of prisoners to be released is the degree of danger of the crimes committed and their affiliation. Prisoners believe that most belong to the Autonomous Front, followed by Rodriguists faithful to the PC, and a substantially smaller group of Mirists, most of them belonging to the military organ of Aguilo and Pascal Allende. Mapu Lautaro members can be counted on the fingers of one hand.

The few prisoners belonging to the PS and those from the political MIR will surrender their weapons, an issue not as clear in the case of the FPMR-Regular, still linked with the PC. Through an ambiguous use of language, this faction has maintained that under current conditions, the military struggle is not viable. However, its firepower and logistical infrastructure remain intact, proof of which is the fact is that La Moneda has sound evidence that the safe house discovered on Lo Prado on 13 September, when Marcial Moraga Contreras lost an arm while handling a bomb, belonged to the Regular FPMR. Consequently, the Front is reportedly waiting for conditions in the country to change before resuming its insurrectional activities.

However, it is not only the possibility of prisoners released resuming their crimes that worries the government and human rights organizations. It is not at all uncommon to hear the fear expressed that upon their release, paramilitary groups of the reactionary right might begin a "hunt." Indeed, as in countries such as Colombia or El Salvador, the formation of death squads may entice the deluded groups of the reactionary right for two chief reasons.

On the one hand, selective extermination would help corner leftist activists in extremist positions by denying them the possibility of giving up their underground life. The far right would thus supply fuel for the fire, inasmuch as it is the existence of such intransigent enemies that helps them justify their actions. Moreover, this would also fit into the revenge-seeking logic of reactionary rightist groups whose principal interest in life is apparently settling accounts at the point of a gun. However, for the time being, such logic is no more than a mere suspicion, precisely like Deputy Dupre's speculations.

* Judicial System Analyzed, Reforms Outlined

91SM0138A Santiago LA NACION in Spanish
25 Nov 90 pp 6-8

[Interview with Judicial Reform Commission President Manuel Guzman Vial by Monica Gonzalez; place and date not given]

[Text] On 12 April, only a month after he was sworn into office at La Moneda, President Patricio Aylwin signed one of the country's most important executive orders creating the Judicial Reform Commission. As its head, he named one of his most trusted legal advisers: Manuel Guzman Vial (married, 65), whose name may not be a household word but who is a prominent figure in the courts and legal circles. A successful lawyer, professor of criminal law at Catholic University, and an adviser to the Bar, he served on the government's Defense Council and as vice president of the Institute of Criminology. In 1984, he surprisingly backed the dispute with General Pinochet over the purchase of El Melocoton, but it surprised no one that Patricio Aylwin would name him to head the Judicial Reform Commission. Another Alejandro Foxley in the Ministry of Finance. His task is among the most delicate and of greatest importance to the country and yet, Guzman remains tactful, little given to sing his own praises, devoted to his wife and family, convinced that the crisis in the system of justice has reached the point where the need for change is urgent.

[Gonzalez] Minister Francisco Cumplido has said that the proposed reform of the Judicial Branch would be sent to the Supreme Court by mid-October. What was the Court's response?

[Guzman] It has not responded at all because the draft has not yet been sent.

[Gonzalez] What happened? Is the reform not complete?

[Guzman] The commission completed its work. The basic measures were sent to President Aylwin, some with bills already drafted. A discussion was later held with the president, who, after studying all the material, formulated a series of suggestions.

[Gonzalez] Did Aylwin approve the reform proposals?

[Guzman] In general, but he made a few specific observations. One of them concerned the functions of the National Council of Justice, changing its authority somewhat. He also placed special emphasis on the creation of a structure needed in order to give the most marginal sectors of society effective legal assistance. This meant that the commission would have to work on a new focus inasmuch as we had given it a limited vision, inhibited by the possible cost which such reorganization would mean.

[Gonzalez] How does the new proposal guarantee the poorest sectors of the country access to justice?

[Guzman] The legal disputes of these groups are family problems, matters dealing with inheritances, getting along with neighbors. They have no effective means of solving them. They either take action themselves or let things stand, which creates a civic maladjustment that may be very serious because it is an incentive to take the law into one's own hands, become cynical, or cease participating in political life in general.

[Gonzalez] What does providing access to justice mean?

[Guzman] Creating legal aid agencies in municipalities in addition to local police court structures, which would then undergo a substantial change.

[Gonzalez] Does this mean a big investment for the government?

[Guzman] Precisely. That is why we are trying to determine what resources are available. The judicial unit would be the local police court, which would be turned into a neighborhood court. This would change the jurisdiction of such courts so that in speedy trials, verbal for the most part, the judges could hear individuals and settle their disputes.

Justice in Crisis

[Gonzalez] Would you say there is a consensus between the government and opposition groups concerning the crisis now afflicting the Judicial Branch?

[Guzman] I have no doubt whatsoever that this is so.

[Gonzalez] Then why proceed with so much caution and fear?

[Guzman] The Chilean mentality contains a certain degree of conservatism, as a result of which people believe the Judicial Branch enjoys stability and protects rights. That is the reason for the fear that any upheaval might affect these qualities.

[Gonzalez] At a time when the courts have before them some ten cases that have seriously affected national coexistence, the people hope that crimes and thefts involving the military and businessmen will not go unpunished. Is that possible with the current makeup of the Judicial Branch?

[Guzman] There are two separate issues: One problem is technical efficiency enabling a judicial department to proceed in a timely, fair manner, providing guarantees to the entire population. It combines with another problem that I would call the "weight of the night," which affects the Judicial Branch when it is involved in situations that are a violation of justice and cause it to lose credibility vis-a-vis the people. All of which is reflected in the so-called inefficiency of justice. In addition, the conduct of our officials has deteriorated, as demonstrated by the involvement and resignations of certain judges.

[Gonzalez] Do such problems result in a moral decline?

[Guzman] Naturally. Justice is a very important social need. It is not merely a concept involving ethical values or one that is indispensable in order for a country to operate. It also has to do with people's feelings. Injustice wounds the heart. At any given moment, individuals can need legal assistance just as urgently as they require medical care.

[Gonzalez] Would you say that the resignations or serious violations of justice sicken the citizens of a country?

[Guzman] They make countries sick and are extremely dangerous diseases.

[Gonzalez] Is Chile a sick country from that standpoint?

[Guzman] It has a very serious ailment.

[Gonzalez] If we were to X-ray that ailment and see what effect it has on the so-called "self-generation" of the Judicial Branch, what would your opinion be on the matter?

[Guzman] It has a major effect. If you were to compare the Chilean system of judicial appointments with that of other countries, you would come to the surprising conclusion that the Chilean system, particularly insofar as Supreme Court appointments are concerned, is absolutely exceptional. The Chilean system has a connotation of "self-generation" that is unique or exceptional in terms of comparative judicial law.

[Gonzalez] How did this situation come about?

[Guzman] Historically speaking, it may be due to a respectable but mistaken belief that it would be one way of keeping the Judicial Branch independent of political power.

[Gonzalez] Is the action of the Judicial Branch under the military regime an example of that independence?

[Guzman] The higher structure of the Judicial Branch has accommodated political-military power. Channels of communication have been created through which many of those appointed to the Supreme Court have been greatly influenced by political-military power.

[Gonzalez] But should one refer merely to "accommodation" when we know that of 10,000 appeals presented since 1973, only two were accepted in 10 years?

[Guzman] I am speaking of accommodation with respect to political decisions, but with respect to the failure to protect human rights, there is not the slightest doubt that many judicial officials have failed in their duty to protect basic rights.

[Gonzalez] Did the Judicial Branch or the Supreme Court rule?

[Guzman] That is a problem we must try to answer in a balanced manner. There is a markedly positivist legal culture in Chile in which the prestige of the law, which

has a whole series of good qualities and justifications, has castrated a previous duty, which is the duty to maintain respect for the very values on which the legal system is based.

[Gonzalez] What kind of relationship exists between that culture and the military regime?

[Guzman] The military government harnessed that legal psychology and began to "legislate." The judges maintained they had to be faithful to the law, which is only a half truth. Judges must apply the integral legal system within a framework of values which the very organic standards take into account. The law basically serves man, and this is precisely where we have a major crisis in values. In a state of law, the judge must be certain in his mind that he has the freedom to be able to judge. A Judicial Branch within the framework of an authoritarian government will in come way succomb to the pressure of the political government due to a normal reaction: fear.

[Gonzalez] Fear or complacent submission?

[Guzman] Fear that in cases it may be important to submit. That is why we must be guided by a very human emotion in judging judges. It is difficult to find someone to cast the first stone. Few can say that under the past regime they demonstrated an absolutely spotless attitude of moral integrity and evidence in the face of a thousand and one possibilities of yielding!

[Gonzalez] Would you say that the fearful and exaggeratedly moderate attitude vis-a-vis the failures of the Judicial Branch conceal a personal judgment?

[Guzman] Of course. One would have to be a Pharisee to point an accusing finger at the judges. Let the accuser first answer to himself. Run-of-the-mill people are the norm; saints and heroes are the exception. That is why there is no witch hunt. However, being a judge is something very significant, very much like the priesthood. One has the right to demand more of a judge because he deals with the very survival of justice, a virtue and value which society needs in order to live.

[Gonzalez] Are there grounds for constitutionally accusing members of the Judicial Branch for noteworthy failures in their duties?

[Guzman] Abundant grounds, but thanks to a last-minute appeal that prospered under the military regime, Parliament lost powers to oversee acts which occurred previous to its installation. Many of these situations have unfortunately remained out of political reach.

But if you are speaking about replacing individuals, the prime means through which the crisis in justice may be overcome, society has the right to be informed about some of the more serious failures of a personal and official nature of which certain judges have been guilty.

Seeking Consensus

[Gonzalez] You were a member of a commission organized by the Center for Public Studies (CEP) on changes in the Judicial Branch. Are there many differences between the two commissions?

[Guzman] The CEP commission is also primarily technical, and it was surprising to me that the matters that have disturbed the two commissions and the solutions sought have so much in common with the exception of one point: the National Council of Justice.

[Gonzalez] Will the proposals to be presented make changes possible on the Supreme Court?

[Guzman] Yes. There are several ways to do so. For example, one can alter the structure of the Supreme Court by increasing the number of its members. In addition, both commissions take the position that there must be an end to the system of member attorneys.

[Gonzalez] And what about self-perpetuation?

[Guzman] It would come to an end with the system we propose: The appointment committees would be formed by the National Council of Justice and named by the president. A balance would be achieved through the Council, which would mainly be comprised of the Judicial Branch, Legislative Branch, represented by senators elected with a high quorum, Executive Branch, and other prominent legal circles such as the Bar and the universities.

[Gonzalez] What is the CEP's proposal?

[Guzman] That appointments be made by a kind of college. An organization would be set up to act like a selection committee to provide appointments. This body would be made up of members of the Supreme Court and presiding magistrates of Appeals Courts throughout the country, along with others. They believe that reorganization of the Supreme Court is so significant that it should be the subject of a wide-ranging national civic consensus.

[Gonzalez] Opposition groups oppose the creation of a National Council of Justice, claiming it would amount to placing the Judicial Branch in the hands of politics. Is that true?

[Guzman] Such a view demonstrates a lack of understanding, an apprehension or prejudice that does not correspond to the facts. I hope that as people start to reflect more and exchange ideas, and as the government demonstrates that it is far from its intention to exert partisan influence on the generation of the Judicial Branch, such prejudices will disappear.

Moreover, such a criticism is based on a misunderstanding because judicial appointments have always reflected some degree of political influence, inasmuch the person making the appointments is the president. To say differently is not true.

[Gonzalez] Why was this reform never carried out under the military regime?

[Guzmanl] During the democratic period, there was political influence in the appointment of members of the Supreme Court and under the military regime, there was definitely an interest in manipulating the Judicial Branch through appointments. They cannot say now that this problem has been removed from politics.

[Gonzalez] How will you guarantee the judges that the system of evaluations will not be in the hands of a group of untouchables or a specific political faction?

[Guzman] Evaluations are now done entirely by the Supreme Court and inadequately because it evaluates all officials at its own discretion, and the official never knows why he is or is not included on one list or another and never finds out which member of the Supreme Court voted one way or another. This results in arbitrariness.

[Gonzalez] How do you replace this system?

[Guzman] The Appeals Courts will have groups of ministers to make the assessments. The members will rotate and they will abide by very objective elements in their judgments, specifying who is doing the assessment and why he rates one way or the other. Such assessments can be appealed to the Supreme Court.

[Gonzalez] What is the process to be followed by the bills your commission is completing?

[Guzman] The final touches are being put on the process of drafting proposals and messages. Our idea is that within a judicious period of time, by mid-December, we would turn in the final draft. If the president gives his approval to a final version, they could be submitted to Congress before year's end.

Colombia

Personalities React To Baker-'Aziz Meeting

PA1001015191 Bogota Inravision Television Cadena 1 in Spanish 0000 GMT 10 Jan 91

[Text] The news of the failed Baker-'Aziz talks has been received with concern in Colombia. The consequences of a war of such huge proportions would not allow any country in the world to emerge unscathed. Colombia cannot escape the consequences of a war in the Persian Gulf. Initially, we would reap benefits from increased international petroleum prices, but over the long run our country's economy would suffer from such a war. Colombia must protect even its last drop of petroleum.

[Begin recording] [Former Minister of Mines Guillermo Perry] [Words indistinct] petroleum prices that would result from a war in the Middle East would benefit Colombia over the short term. However, it is a short-term benefit that is very dangerous.

[Former Foreign Minister Carlos Lemos] I am afraid that if Israel is attacked and it responds with weapons that some believe it already has, the catastrophe could be of excessive proportions.

[Constituent Assembly Member Jaime Castro] I, like the rest of the world, hope that a negotiated peace, a political agreement, is reached.

[Constituent Assembly Member Ivan Marulanda] It is of the utmost importance that we protect Colombia's economy, maintain public security, and even protect citizens from the effects of the war.

[Constituent Assembly Member Horacio Serpa] [Words indistinct] I believe that an agreement should be reached, an agreement to coexist peacefully and avoid a conflagration the proportions of which are very difficult to forecast. [end recording]

Mayor in Antioquia Department Killed 6 Jan

PA0901183391 Bogota Inravision Television Cadena 1 in Spanish 0100 GMT 7 Jan 91

[Jorge Mario Bethancourt report]

[Text] Residents of Puerto Berrio in Antioquia Department are in mourning today. Yesterday, unidentified persons killed Mayor Fernando Zuluaga Tamayo, who was 41 years old and had only served six months as mayor of this Middle Magdalena community. Mayor Zuluaga had become very well liked due to the vitality he always had for civic projects. Mayor Fernando Zuluaga believed a polytechnic institute to train youths could be started in Puerto Berrio. He also gave his best effort to the projects and works that benefited this rich area. Recovery of the Magdalena River and the natural resources of this municipality were always his battle cry.

People are still dazed; they never thought their mayor would die violently. Because they believed in him, and because even more they loved him, the inhabitants of this municipality bade their mayor good-bye with music.

Peru

Official Communique 'Deplores' Failed Gulf Talks

PY1001023891 Lima RTP Television Network in Spanish 0100 GMT 10 Jan 91

[Text] Regarding the failure of the talks between the United States and Iraq in Geneva, the Peruvian Government has released the following communique through the Foreign Ministry:

1. The Peruvian Government profoundly deplores the fact that the talks between the U.S. secretary of state and the Iraqi foreign minister in Geneva today were not able to achieve any type of agreement to resolve the critical situation in the Gulf.

2. The Peruvian Government, taking up its people's permanent desire for peace, makes a vehement plea for the continuation of all efforts that would prevent the beginning of hostilities and achieve a solution that respects international law and the UN Security Council resolutions.

Lima, 9 January 1991. Foreign Ministry, General Dissemination Directorate.

Interior Minister Comments on Failed Hijacking

PY0901131091 Lima RTP Television Network in Spanish 1800 GMT 8 Jan 91

[Text] Interior Minister General Adolfo Alvarado went to the government palace to report to the president of the Republic about the incident that occurred yesterday at Jorge Chavez International Airport. After the meeting Alvarado said that the president expressed his pleasure and congratulated the national police for having controlled the situation.

[Begin Alvarado recording] The president expressed his pleasure and congratulated national police personnel for their decisive action during the incidents at the airport yesterday evening. I want to take this opportunity to ask you to make public the professionalism of the police and the decisive and courageous action of the police officer who managed to kill the terrorist.

[Unidentified reporter] Is it true the individual was a member of the Tupac Amaru Revolutionary Movement?

[Alvarado] No, he was a common criminal who has no connection with this group.

[Reporter] A psychopath?

[Alvarado] Yes, probably.

[Reporter] This incident casts a doubt on the lack of security in the Lima international airport. The national policy [not further identified] will probably do something to prevent these incidents.

[Alvarado] The individual took the plane at a provincial airport. Measures will be adopted to provide more security at the Lima and the provincial airports. We have experienced a situation and we think that tighter security measures should be implemented at Peru's most important airports.

[Reporter] What type of measures will be adopted? Will measures be adopted with respect to people who have access to the waiting room?

[Alvarado] We have to adopt a complete series of measures in our international and national airports if we are to measure up to international standards. This effort will be coordinated by the different departments including the transport department, the Corpac [Corporation for Airports and Commercial Aviation], and the Defense Ministry.

[Reporter] Will this plan be implemented soon?

[Alvarado] Of course, immediately. You can be sure of it. I also want to stress that just as sometimes there are bad policemen who are involved in...[pauses] mistakes, exaggerations, excesses, we also know—and you should communicate this to the public—that the majority of policemen are professionals and perform their duty with great dedication. This officer placed his life on the line to save not only the lives of passengers but the plane as well. [passage omitted]

New Ministers State Positions on Current Issues

PY0901133291 Lima RTP Television Network in Spanish 0100 GMT 9 Jan 91

[Excerpts] Vice Admiral Raul Sanchez Sotomayor was sworn in today as the new foreign minister. The ceremony took place at the Foreign Ministry. His predecessor Luis Marchand welcomed him. [passage omitted]

The new foreign minister said he will work for Latin American integration and the reintegration of Peru in the international financial world.

[Begin Sanchez recording] Peru's foreign policy involves the projection of our national identity into the complex and changing system of international relations, and the defense and promotion of our most important national issues. Peru has a rich history. This is because of its culture and its responsibility in shaping Latin American history. The country has a new role to play in Latin America and a responsibility to participate in the discussion of great world issues. [end recording]

Transport Minister Jaime Yoshiyama was installed today. Yoshiyama promised to modernize the Transport Ministry and to continue the road repair program. [passage omitted]

Yoshiyama said he will continue his predecessor's policies which he characterized as very important. He asked former Transport Minister Eduardo Toledo to continue at the ministry as an external adviser. Yoshiyama talked about the situation of the Peruvian Shipping Corporation. He said that a study on how to save the company will be finished on 12 January. One measure being contemplated is a reduction of personnel.

Fishing Minister Felix Canal Torres said that political parties should support the work of the government by inviting their most outstanding representatives to submit proposals. Canal regretted the decision by the APRA [American Popular Revolutionary Alliance] to expel him from the party and announced a moralization campaign in his ministry. [passage omitted]

Central Bank Says Reserves Total $600 Million

PY0901134691 Lima RTP Television Network in Spanish 1100 GMT 9 Jan 91

[Summary] Central Bank president Jorge Chavez reported that in its last meeting, the Central Bank executive board analyzed the economic projections for January.

He added that the new sol monetary unit will come into effect next April and that the national reserves amount to $600 million.

Venezuela

Government Dismayed Over Failed Geneva Meeting

PA1001025291 Paris AFP in Spanish 0112 GMT 10 Jan 91

[Text] Caracas, 9 Jan (AFP)—The Venezuela Government said today that it is "dismayed" about the "unsuccessful" meeting between U.S. Secretary of State James Baker and Iraqi Foreign Minister Tariq 'Aziz in Geneva.

"The fact that Foreign Minister 'Aziz did not give any signs at any time of wanting to comply with the resolutions issued by the UN Security Council significantly reduces the possibilities of finding a peaceful solution by the established dates," Venezuelan Foreign Minister Reinaldo Figueredo told the press in Caracas.

"However, we have firm hopes based on statements made by President Bush and several initiatives that are under way that prior to 15 January, a conflagration will be prevented. That conflagration could have catastrophic effects in not only the area where the action would take place, but throughout the entire world as well," Figueredo added.

Toward this effect, the foreign minister pointed out that his government "will not spare any efforts to participate in any type of initiative that will support the search for talks within the UN framework, as long as the decisions adopted by the UN are complied with."

Security Measures Increased; Iraqi Threat Cited

PA0901230091 Mexico City NOTIMEX in Spanish 2142 GMT 9 Jan 91

[Text] Caracas, 9 Jan (NOTIMEX)—Venezuelan authorities have adopted strict security measures to supervise the entry and departure of visitors from the Middle East, according to Simon Bolivar Airport officials.

The measures were adopted because of Iraqi President Saddam Hussein's threat to carry out terrorist actions throughout the world in the event of an armed conflict in the Persian Gulf.

Venezuela fears it could be a target for terrorist actions because of its oil resources and because it condemned the Iraqi invasion of Kuwait.

Since Iraq invaded Kuwait on 2 August, Venezuelan military chiefs have intensified prevention and security measures at all of the country's oil installations.

Surveillance was increased in six of the states in which Venezuela has oil installations, especially in Lake Maracaibo, Zulia State, the main oil production and exporting region—a vulnerable area because of its access to the sea.

Venezuela also has refineries in Curacao, the United States, Germany, and Sweden.

Venzuela's Arab population notably increased over the past year, according to Criminal Court Judge Mildred Camero, who is investigating the sale of visas to foreigners.

A "massive" illegal entry of Arabs from Damascus has been observed for some time, the judge said.

Foreign Minister Reinaldo Figueredo said that anything close to an armed confrontation is dangerous for the entire world, not just because of the loss of lives, but also because of the economic costs involved.

Minister Wants Oil Producers, Consumers To Talk

PA1001001391 Caracas Venezolana de Television Canal 8 in Spanish 0045 GMT 9 Jan 91

[Statement by Foreign Minister Reynaldo Figueredo at Caracas Venezolana de Television studio in Caracas on 8 January—recorded]

[Text] The scheduled meeting between U.S. Secretary of State James Baker and the Iraqi foreign minister has not only raised expectations, but it is part of a last-ditch attempt to protect peace and ensure compliance with UN resolutions.

Venezuelan President Carlos Andres Perez yesterday affirmed to the diplomats accredited in Venezuela the country's interest in and willingness for dialogue between oil producers and consumers. We have succeeded in preventing speculation at home, but cannot avert it on the world market. When and if war breaks out, we do not want speculation to lead to the prices, already mentioned by [Sheikh] Yamani [former Saudi oil minister] and other oil ministers, of more than $100 or less than $20 per barrel, which would greatly harm the economy of Venezuela and those of other countries that depend on the production of energy.

Suriname

Provisional President Kraag Installs New Cabinet

Includes Armed Forces Members

FL0901125191 Bonaire Trans World Radio in English 1130 GMT 9 Jan 91

[Text] In Suriname, the new caretaker government has named a cabinet. Provisional President Johan Kraag,

appointed by Suriname's National Assembly, named the cabinet including representatives of two major political parties, as well as members of Suriname's Armed Forces, which will govern the country until national elections are held.

Assembly To Cooperate With Cabinet

FL0901193391 Paramaribo International Service in English 1730 GMT 9 Jan 91

[Text] The National Assembly will go along with the current situation and will, in the interest of the country and the people, cooperate with the new cabinet. This was stated by Assembly Chairman Jaggernath Lachmon yesterday to the daily DE WARE TIJD.

Lachmon pointed out that the absence of practically all Assembly members at the installation of the new government doesn't mean they won't cooperate. According to Lachmon, the absence was due to the fact that the Assembly members received their invitations late.

Vice President Jules Wijdenbosch has, in the mean time, apologized for the lateness of the invitations.

Foreign Minister Protests Netherlands Report

FL0901194091 Paramaribo International Service in English 1730 GMT 9 Jan 91

[Text] [Words indistinct] of the interim cabinet has yesterday officially restored (?stability) after [words indistinct] handed over the ministries to them. During the different speeches at the official handing over of the ministries it was stressed that hard work must be done to solve the country's problems. The outgoing as well as the new ministers called on civil servants to support the policy of the coming periods.

The interim cabinet was installed on Monday last [7 January] and consists of 11 ministers. Among others, this cabinet is tasked with the task of organizing [word indistinct] elections in a short time. The previous government was requested to resign at the end of last month. After that, the National Army took over state power.

Foreign Minister (Roby Ram Lacan) yesterday began his first working day by protesting to the Dutch Governmnent. (Ram Lacan) summoned the Dutch ambassador to Suriname to come to his ministry to protest against the news report which appeared in a Dutch newspaper. The news report accused the new minister of defense, Major (Rupert Christopher) of being involved in the death of two members of Jungle Commando at a cabinet of the military authority in March of last year.

Minister (Ram Lacan) told the Dutch ambassador that the public prosecution's office has after thorough investigations found no evidence to incriminate (Christopher) on any charges.

Suriname is of the opinion that the news report is also an insult to the integrity of the judiciary, said the minister yesterday. He called on the Dutch Government through the ambassador to correct the misrepresentation of the facts on the basis of the press code in their country. If this does not happen there will be consequences, said the Minister of Foreign Affairs (Ram Lacan).

Consumers Association Requests Government Support

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[Text] The Consumers Association has in a letter to the president asked that priority be given in the policy regarding the fixing of reasonable prices for goods. The association also pleads for a national discussion in which all functional groups must be involved.

In the letter, the Consumers Association says the stimulating of export also plays an important part. The association is further requesting the setting up of a commission to find a solution to the problem of importing goods without foreign currency transferred by the state.

According to the Consumers Association, the government must legislate laws and [word indistinct] to protect consumers against harmful products. The association finally calls for support in its information activities and studies aimed at supplying information in the areas of housing, public health, transport, and religion.